

**ASSOCIATION of  
GOVERNMENTS**

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**San Bernardino County:** Paul Biane, San Bernardino County • Bill Alexander, Rancho Cucamonga • Edward Burgnon, Town of Apple Valley • Lawrence Dale, Barstow • Lee Ann Garcia, Grand Terrace • Susan Longville, San Bernardino • Gary Ovitt, Ontario • Deborah Robertson, Rialto

**Ventura County:** Judy Mikels, Ventura County • Glen Becerra, Simi Valley • Carl Morehouse, San Buenaventura • Toni Young, Port Hueneme

**Orange County Transportation Authority:** Charles Smith, Orange County

**Riverside County Transportation Commission:** Robin Lowe, Hemet

**Ventura County Transportation Commission:** Bill Davis, Simi Valley

## MEETING OF THE

# COMMUNITY, ECONOMIC, & HUMAN DEVELOPMENT COMMITTEE

**Thursday, September 2, 2004  
10:30 a.m. – 12:15 p.m.**

**SCAG Offices  
818 W. 7<sup>th</sup> Street, 12<sup>th</sup> Floor  
Riverside B Conference Room  
Los Angeles, California 90017  
213. 236.1800**

## Agenda & Map Enclosed

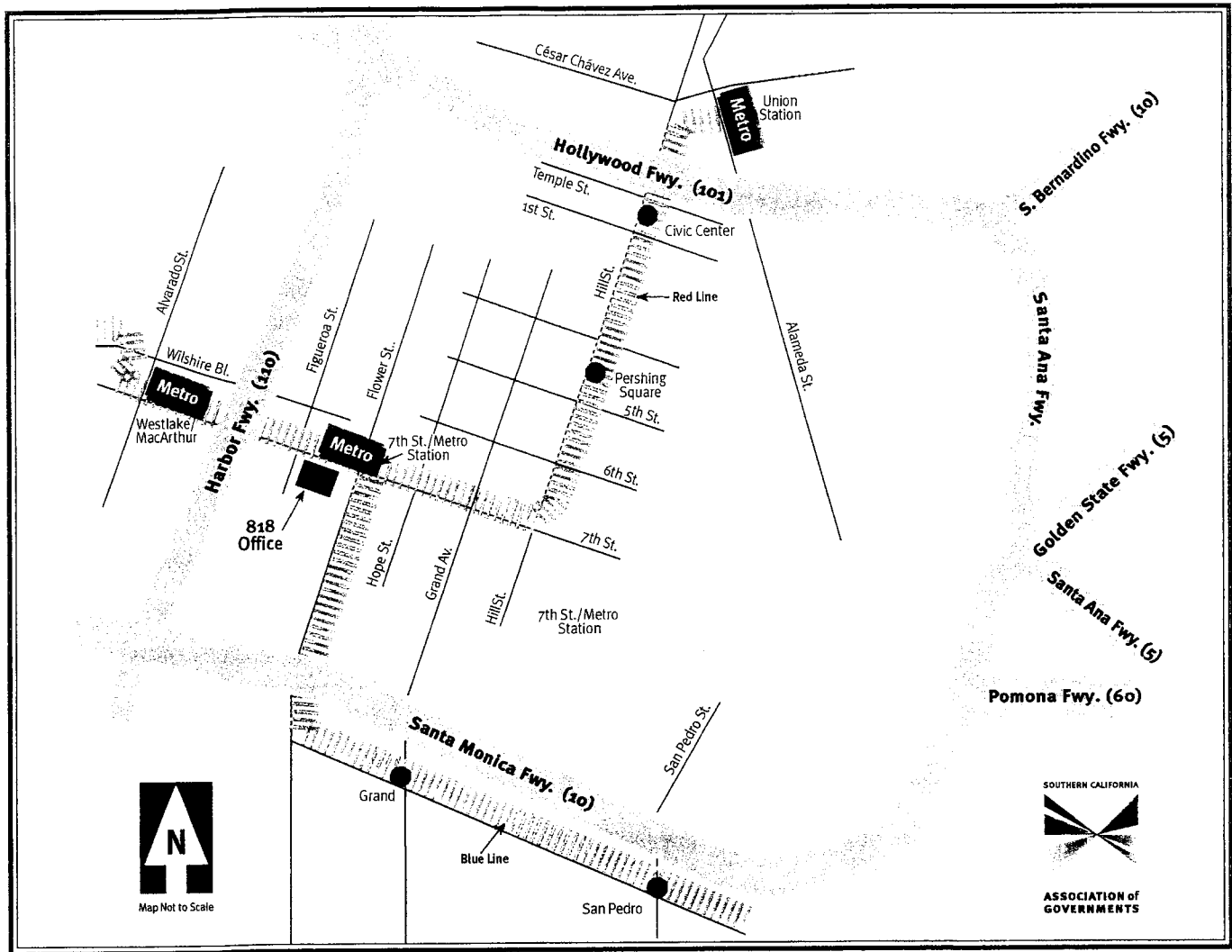
If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Jacob Lieb at 213.236.1921 or [lieb@scag.ca.gov](mailto:lieb@scag.ca.gov)

Agendas and Minutes for the Community, Economic, and Human Development Committee are also available at:

[www.scag.ca.gov/committees/CEHD.htm](http://www.scag.ca.gov/committees/CEHD.htm)

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. If you require such assistance, please contact SCAG at (213) 236-1868 at least 72 hours in advance of the meeting to enable SCAG to make reasonable arrangements. To request documents related to this document in an alternative format, please contact (213) 236-1868.

# How to get to the Southern California Association of Governments



## To Get to the 818 Building

- Harbor Freeway (110) Exit on 6th Street, turn right on Flower.

## By Transit...

- SCAG is accessible by all Metrolink Service to Union Station. At transfer to the Metro Red Line (free transfer with Metrolink ticket) and get off at 7th and Metro Station. Metro Line Service to SCAG is also available from Alvarado Station.
- SCAG is accessible by the Blue Line. Get off at 7th and Metro Station.
- SCAG is served directly by DASH Routes A and B. Bus Service via MTA, Foothill, Santa Monica, Orange County is available to downtown. Call 1-800-Commute for details.

## SCAG Main Office:

818 West 7th Street 12th Floor Los Angeles, CA 90017-3435 (213) 236-1800 fax: (213) 236-1825



ASSOCIATION of  
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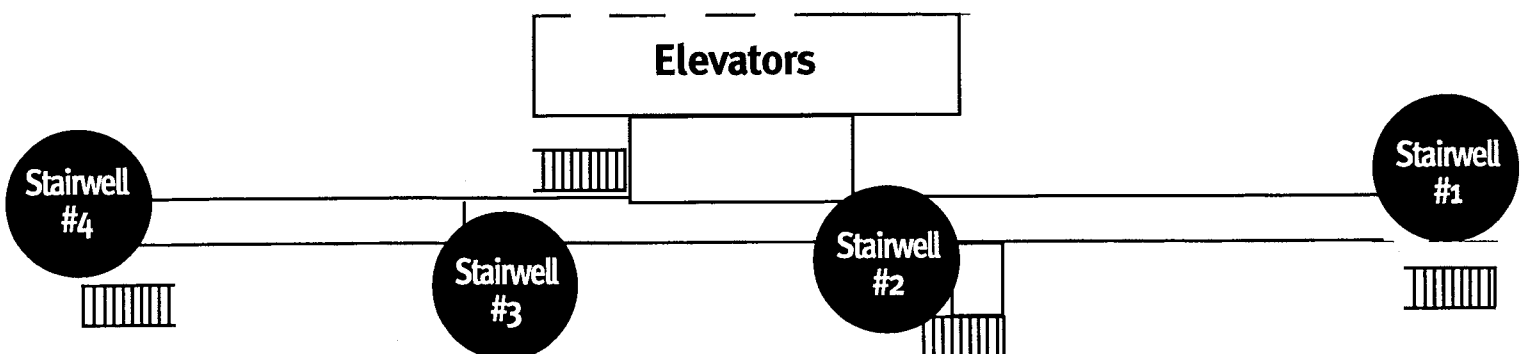
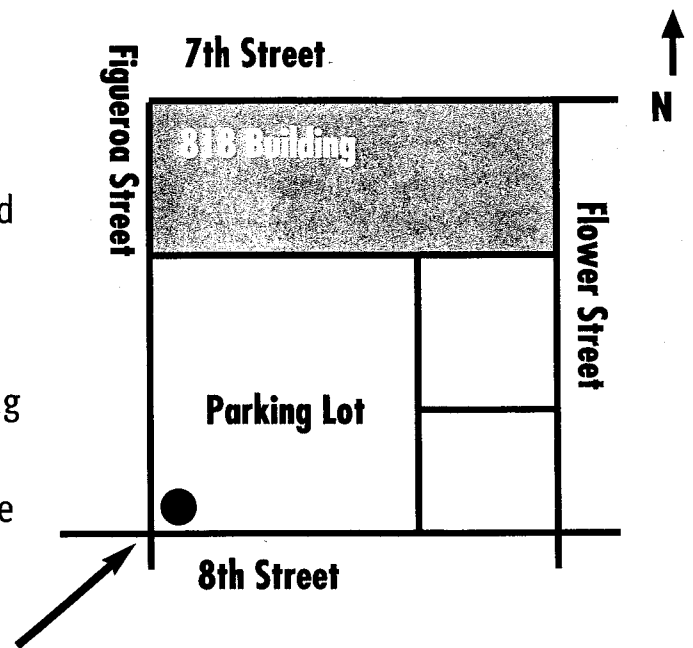
Rev. 12/30/97

# Emergency Evacuation Procedures:

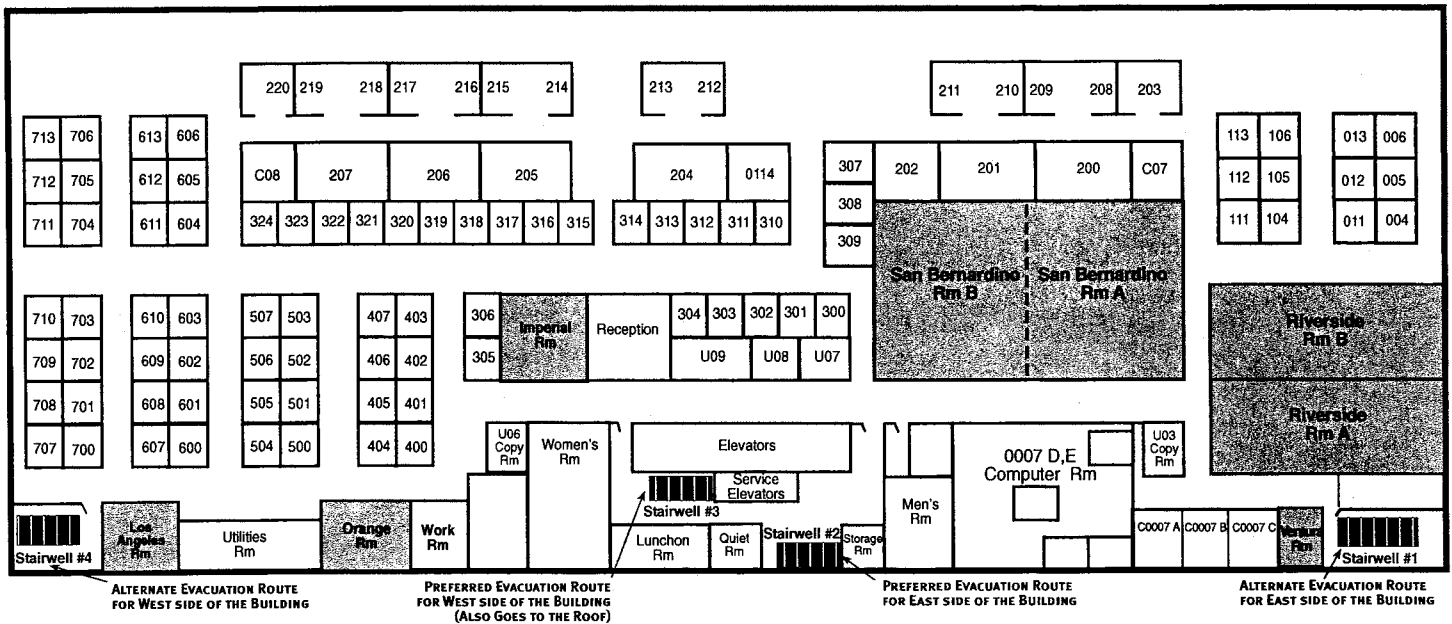
- 1) SCAG offices will always totally evacuate when an alarm sounds, even if it is thought to be a false alarm.
- 2) The evacuation stairwells are shown below and on the maps on the back side of this flyer. The preferred evacuation stairwells are #2 and #3.
- 3) Take the stairs to the ground floor. Upon exiting the building walk to the corner of 8th and Figueroa and meet at the Northeast corner. See dot in the map to the right. Do not leave the area without making contact with a floor warden, who will be wearing an orange vest.
- 4) SCAG safety officers will be wearing an orange vest during an emergency. Please follow their instructions.

Note that only stairwell #3 goes to the roof. Do not evacuate to the roof unless instructed to by Floor Wardens or Fire Department Personnel.

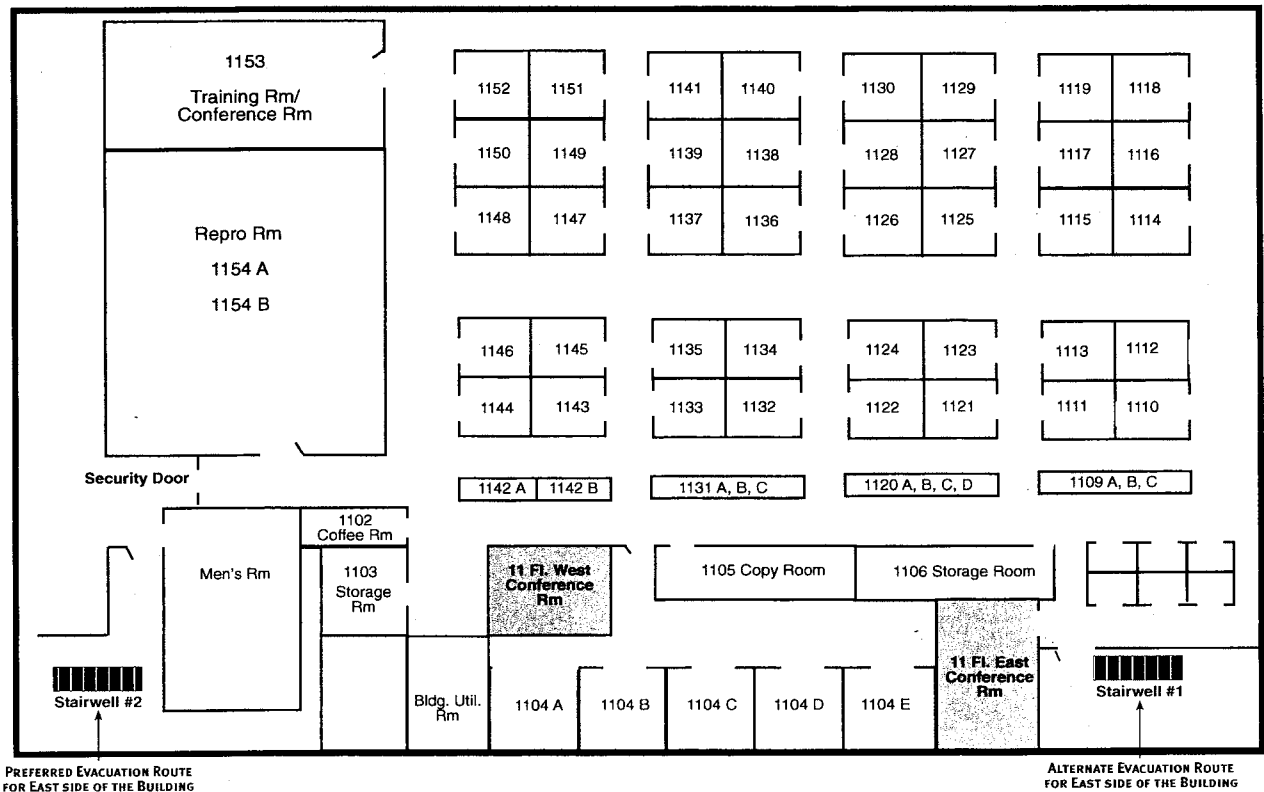
Upon meeting at 8th and Figueroa, roll will be taken. Do not leave the area without making contact with a floor warden, who will be wearing an orange vest.



## SCAG Offices Floor Plan & Emergency Exits on the 12th Floor



## SCAG Offices Floor Plan & Emergency Exits on the 11th Floor



# COMMUNITY, ECONOMIC & HUMAN DEVELOPMENT COMMITTEE

## AGENDA

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TIME

1.0 CALL TO ORDER

2.0 PUBLIC COMMENT PERIOD

Members of the public desiring to speak on an agenda item or items not on the agenda, but within the purview of the Committee, must fill out and present a speaker's card to the Assistant prior to speaking. A speaker's card must be turned in before the meeting is called to order. Comments will be limited to three minutes. The chair may limit the total time for all comments to twenty (20) minutes.

3.0 REVIEW and PRIORITIZE AGENDA ITEMS

4.0 CONSENT CALENDAR

4.1 Approval Item

4.1.1 Action Minutes – August 5, 2004  
Attachment

01

4.2 Receive and File

4.2.1 SCAG Legislative Matrix  
Attachment

05



SOUTHERN CALIFORNIA  
ASSOCIATION OF GOVERNMENTS

# COMMUNITY, ECONOMIC & HUMAN DEVELOPMENT COMMITTEE

## AGENDA

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PAGE #

TIME

### 5.0 ACTION ITEMS

#### 5.1 Regional Comprehensive Plan Attachment

Staff will propose key concepts and approaches for a new Regional Comprehensive Plan.

**Recommended Action:** Recommend that the Regional Council approves preliminary policy catalog.

**Jacob Lieb,  
Acting Lead  
Regional Planner,  
SCAG**

13

15 minutes

### 6.0 INFORMATION ITEMS

#### 6.1 Report: "Logistics and Distribution: An Answer to Regional Upward Social Mobility" Attachment

This specially commissioned SCAG report explores the structure of the logistics and distribution industries and their potential to enhance regional upward social mobility in the SCAG region.

**John Husing,  
President,  
Economic &  
Politics, Inc.**

26

25 minutes

#### 6.2 Community Development Division Work Plan Attachment

Staff will describe the Overall Work Program for the 2004-2005 Fiscal Year in Community Development.

**Lynn Harris,  
Manager of  
Community  
Development,  
SCAG**

64

15 minutes



SOUTHERN CALIFORNIA  
ASSOCIATION of GOVERNMENTS

# COMMUNITY, ECONOMIC & HUMAN DEVELOPMENT COMMITTEE

## AGENDA

|     |   | PAGE #  | TIME       |
|-----|---|---|------------|
| 6.3 | <u>Compass Implementation Work Program Attachment</u><br><br>A preview of the upcoming implementation, Monitoring and consensus building efforts for the Compass program.   | Mark Butala, Sr. Regional Planner, SCAG 90              | 15 minutes |
| 6.4 | <u>Regional Economic Forecast Conference</u><br><br>Staff will provide the Committee with the Date, location, program, and other essential Information concerning SCAG's 8 <sup>th</sup> Annual Economic Forecast Conference. | Bruce DeVine, Chief Economist, SCAG                     | 5 minutes  |
| 6.5 | <u>Analysis of CA DOF Population Projections Attachment</u><br><br>Staff analyzes methodology and assumptions of recently released CA DOF population projections.   | Simon Choi, Sr. Regional Planner, SCAG 91               | 5 minutes  |
| 6.6 | <u>2003 Venture Capital Investment in the SCAG Region Attachment</u><br><br>Staff will present the 2003 Venture Capital Investment draft report.  | Bruce DeVine, Chief Economist, SCAG 93                  | 10 minutes |
| 6.7 | <u>Intergovernmental Review (IGR) Attachment</u><br><br>Staff periodically updates the Committee on IGR activity. Staff will review the Glendale Town Center project per Committee member request.                            | Lynn Harris, Manager of Community Development, SCAG 102 | 5 minutes  |



# COMMUNITY, ECONOMIC & HUMAN DEVELOPMENT COMMITTEE

## AGENDA

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TIME

**7.0 CHAIR'S REPORT**

**8.0 STAFF REPORT**

**9.0 FUTURE AGENDA ITEMS**

Any Committee members or staff desiring to place items on a future agenda may make such request. Comments should be limited to three (3) minutes.

**10.0 CLOSED SESSION**

SCAG v. HCD & BT&H

Conference with Legal Counsel – existing litigation to be heard in closed session  
In pursuant to California Government Code Section § 54956.9 (a)

**10.0 ANNOUNCEMENTS**

**11.0 ADJOURNMENT**

The next meeting of the Energy and Environment Committee will be held in the SCAG offices on Thursday, October 7, 2004.



# COMMUNITY, ECONOMIC, and HUMAN DEVELOPMENT COMMITTEE

## ACTION MINUTES

Thursday, August 5, 2004

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE COMMUNITY, ECONOMIC, AND HUMAN DEVELOPMENT COMMITTEE. AUDIO-CASSETTE TAPE OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

### **Present Members**

Alberg, Lyle  
Alexander, William  
Burgnon, Edward  
Davert, Doug  
Dispenza, Mike  
Duke, Alta  
Lutz, Mary Ann  
McCarthy, Keith  
McCullough, Kathryn  
Moreno, Jr., Efren  
Norby, Chris  
Nowatka, Paul  
Perry, Bev  
Poe, Marilyn  
Robertson, Deborah, **Chair**  
White, Charles  
Yousefian, Bob

### **Representing**

SANBAG  
SANBAG  
SANBAG  
Tustin  
Palmdale  
La Palma  
Monrovia  
Downey  
OCCOG  
SVGCOG  
Orange County  
Torrance  
Brea  
Los Alamitos  
Rialto  
WRCOG  
Glendale

### **Absent Members**

Bosworth, Gary  
Bowlen, Paul, **Vice Chair**  
Campbell, Todd  
Coerper, Gil  
Cruz-Madrid, Cristina  
Guillen, Manuel  
Hofmeyer, Daryl  
Longville, Susan  
Loveridge, Ronald  
Mc Sweeney, Susan  
Perry, Jan  
Pinkard, Bedford  
Reyes, Ed  
Richardson, Laura  
Shields, M. Jo

### **Representing**

CVAG  
Cerritos  
Burbank  
Huntington Beach  
SGVCOG  
Gateway Cities  
Paramount  
SANBAG  
Riverside  
Westlake Village  
Los Angeles  
Oxnard  
Los Angeles  
Long Beach  
Brawley

### **New Members**

None

### **Representing**

# COMMUNITY, ECONOMIC, and HUMAN DEVELOPMENT COMMITTEE

## ACTION MINUTES

Thursday, August 5, 2004

### **1.0 CALL TO ORDER**

Deborah Robertson, Chair, confirmed a quorum and called the meeting to order at 10:30am.

### **2.0 PUBLIC COMMENT PERIOD**

See Item #

### **3.0 CONSENT CALENDAR**

The following consent calendar items were approved without objection. There were several members absent for the June meeting resulting in abstentions for the minutes.

#### **4.1 Approval Item**

3.1.1 Minutes of the June 3, 2004 Meeting

#### **4.2 Receive and File**

3.2.1 SCAG Legislative Matrix

### **4.0 ACTION ITEM**

#### **4.1 Policy Paper: Promoting Regional and State Policy Objectives Through Growth and Development Practice." July 2004**

Staff presented this policy paper which proposes steps that the State might take to promote mutual objectives. The State, through discussions convened by Secretary of Business, Transportation, and Housing Sunne Wright McPeak, has expressed an interest in promoting better transportation and land use coordination, improving housing performance, and providing housing accountability at the local level. The policy paper suggests that the State might achieve these objectives by taking specific steps to support implementation of the 2004 RTP and the Compass Growth Vision. Todd Priest of the Building Industry Association of Southern California provided comments that generally supported the paper, but cautioned that Compass implementation might hamper housing affordability. There was substantial discussion from the Committee regarding how Compass implementation might proceed, and regarding how SCAG could measure housing performance. Staff replied that these issues deserved further discussion, not germane to this paper.

Motion to recommend the Regional Council approve the paper with amendments made by Perry, Seconded by Alexander, then voted UNANIMOUSLY by the Committee.

# COMMUNITY, ECONOMIC, and HUMAN DEVELOPMENT COMMITTEE

## ACTION MINUTES

Thursday, August 5, 2004

### **4.2 Victory Valley Redevelopment Agency Housing Set-aside Review**

Lynn Harris, Manager of Community Development described a request by the Victor Valley Economic Development Authority to defer payments to the low and moderate income housing set-aside fund. Ms. Harris described that the request fulfilled the requirements of State law, was generally consistent with SCAG policy objectives, and did not hamper the production of housing in the area. The Committee unanimously voted to recommend that the Regional Council approve a resolution confirming the Authority's findings.

Motion to recommend the Regional Council approve the resolution confirming the authority's findings with additional language describing the purpose and history of the authority made by Perry, Seconded by McCarthy, then voted UNANIMOUSLY by the Committee.

## **5.0 INFORMATION ITEMS**

### **5.1 Regional Housing Needs Assessment**

Jacob Lieb, Acting Lead Regional Planner, described various developments affecting the timing and conduct of the next Regional Housing Needs Assessment (RHNA), including the following: the new State budget authorizes Councils of Governments to charge a fee to cities and counties to pay for the RHNA; two RHNA reform bills, including AB 2158 which allows COGs to request a postponement have not yet passed the Legislature; and a decision was received in the litigation resulting from the 2000 RHNA.

Colin Lennard, General Counsel, described the RHNA decision, stating that it prevented the State Housing Department from partially rejecting the RHNA, and that the State could not use its partial rejection to reject Housing Elements from the Inland Empire plaintiffs.

### **5.2 Southern California Leadership COMPASS Class Project**

John Greenwood and Amanda Rounsaville, of the Southern California Leadership Network, discussed their class project, which monitored the COMPASS Growth Visioning program over the past year. The class completed a survey of its members to come up with recommendations for SCAG in pursuing Compass implementation. In brief, class members felt SCAG should refine and focus its message in order to reach a general audience.

### **5.3 Compass Media Roll Out**

In the interest of time, item postponed for a future meeting.

### **5.4 Las Virgenes Malibu Council of Governments Growth Visioning Report**

Terry Dipple, of the Las Virgenes Malibu Council of Governments and Doug Johnson of National Demographics Corporation (consultant), described the sub-regions work effort under the Growth Visioning program during the prior fiscal year. The sub-region did a general population survey on growth, development and transportation issues. Of note, the survey found substantial support for land use and transportation coordination.

**COMMUNITY, ECONOMIC, and HUMAN DEVELOPMENT COMMITTEE**

**ACTION MINUTES**

**Thursday, August 5, 2004**

**5.5 Regional Comprehensive Plan**

In the interest of time, item postponed for future meeting.

**5.6 2003 Venture Capital Investment in the SCAG Region**

In the interest of time, item postponed for future meeting.

**6.0 THE CHAIR'S REPORT**

None

**7.0 STAFF REPORT**

Staff informed the Committee that the Economic Forecast Conference is scheduled for November 18 at Walt Disney Concert Hall.

**8.0 FUTURE AGENDA ITEMS**

None.

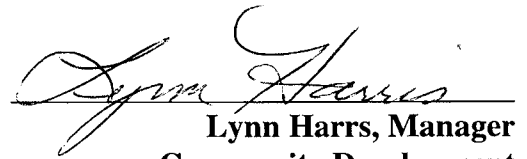
**9.0 CLOSED SESSION**

Closed session was held regarding existing litigation. No decisions or actions taken.

**10.0 ADJOURNMENT**

The meeting was adjourned at 12:20 p.m. The next CEHD meeting will be held at 10:30 a.m. on Thursday, September 2 2004 at the SCAG Office.

**Minutes Reviewed and Approved by:**

  
**Lynn Harris, Manager  
Community Development**

# MEMO

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**DATE:** September 2, 2004

**TO:** Community Economic and Human Development Committee

**FROM:** Charlotte Pienkos, Government Affairs Analyst  
Phone: (213) 236-1811 E-Mail: eckelbec@scag.ca.gov

**SUBJECT:** State Legislative Matrix

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## SUMMARY:

Attached to this memorandum are the bills and constitutional amendments of interest to the Community Economic and Human Development Committee.

With the passage of a state budget, committees have again taken up work on legislation and the legislative session is quickly reaching its end. As of this writing on August 12<sup>th</sup>, fiscal committees have one more day to hear bills. As of the 16<sup>th</sup>, bills may only be heard on the floor through the 31<sup>st</sup>, which is the last day for each house to pass bills. Recess begins upon adjournment. From August 31<sup>st</sup> through September 30<sup>th</sup>, the Governor may sign or veto bills passed and in his possession by September 1<sup>st</sup>. Consequently, we will know at the September 2<sup>nd</sup> meeting of the committee which bills passed, although we will not know what bills may yet be vetoed.

CAP#98918



**SOUTHERN CALIFORNIA  
ASSOCIATION of GOVERNMENTS**

**Private file: EconomicDevelopment**

CA AB 1855      **AUTHOR:** Maze (R)  
**TITLE:** Infrastructure and Economic Development Bank  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 01/29/2004  
**ENACTED:** 07/23/2004  
**LOCATION:** Chaptered  
**CHAPTER:** 189  
**SUMMARY:**  
 Relates to the Bergeson-Peace Infrastructure and Economic Development Bank Act that requires the California Infrastructure and Economic Development Bank to establish criteria, priorities and guidelines for the selection of projects to receive assistance from the bank. Requires the bank to notify the Governor and the legislative fiscal and policy committees when it establishes or makes changes to the criteria, priorities and guidelines.  
**STATUS:**  
 07/23/2004      Signed by GOVERNOR.  
 07/23/2004      Chaptered by Secretary of State. Chapter No. 189

CA AB 1998      **AUTHOR:** Dutton (R)  
**TITLE:** Real Investment in California's Economy Program  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/13/2004  
**LOCATION:** Assembly Revenue and Taxation Committee  
**SUMMARY:**  
 Provides an exemption from sales and use taxes for the gross receipts from the sale, storage, use, or other consumption of, tangible personal property purchased by a qualified person primarily in any state of manufacturing, including the generation of electricity, processing, refining, fabricating, or recycling of property, and introduced into the process.  
**STATUS:**  
 05/10/2004      In ASSEMBLY Committee on REVENUE AND TAXATION: Heard, remains in Committee.

**Private file: Housing**

CA AB 2158      **AUTHOR:** Lowenthal (D)  
**TITLE:** Housing Elements: Regional Housing Need  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/18/2004  
**LAST AMEND:** 06/24/2004  
**COMMITTEE:** Senate Appropriations Committee  
**HEARING:** 08/12/2004 8:30 am  
**SUMMARY:**  
 Relates to city, county or city and county general plan housing element. Revises the procedures for determining shares of the existing and projected regional housing need for cities, counties and subregions at all income levels.  
**STATUS:**  
 07/12/2004      In SENATE Committee on APPROPRIATIONS: To Suspense File.  
**COMMENTARY:**  
 SCAG staff participates on the Lowenthal Working Group that crafted this bill.  
**Position:** CSAC-Sup, SCAG-Sup 06/03/2004

CA AB 2175      **AUTHOR:** Canciamilla (D)  
**TITLE:** Conversion of Rental Housing  
**FISCAL COMMITTEE:** no  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/18/2004  
**LAST AMEND:** 04/19/2004  
**LOCATION:** ASSEMBLY  
**SUMMARY:**  
 Relates to the Subdivision Map Act. Provides a local ordinance, regulation or administrative action may not prohibit an owner of residential property from subdividing the property into a common

0006

interest development. Authorizes a city, county or city and county to enact an ordinance, regulation or administrative action governing the conversion of residential rental property if the local agency does not impose specified requirements.

**STATUS:**

08/04/2004

From ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT without further action pursuant to JR 62(a).

CA AB 2247

**AUTHOR:** Salinas (D)  
**TITLE:** Local Planning  
**FISCAL COMMITTEE:** no  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/19/2004  
**LAST AMEND:** 04/29/2004  
**LOCATION:** Assembly Local Government Committee  
**SUMMARY:**

Provides that a city may use an optional process to apply for and obtain all necessary approvals from a local agency formation commission for annexations for a period not to exceed 15 years if the city complies with certain conditions.

**STATUS:**

04/29/2004

To ASSEMBLY Committee on LOCAL GOVERNMENT.

04/29/2004

From ASSEMBLY Committee on LOCAL GOVERNMENT with author's amendments.

04/29/2004

In ASSEMBLY. Read second time and amended. Re-referred to Committee on LOCAL GOVERNMENT.

CA AB 2264

**AUTHOR:** Chavez (D)  
**TITLE:** General Plan: Housing Element  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/19/2004  
**LAST AMEND:** 04/12/2004  
**LOCATION:** Assembly Housing and Community Development Committee  
**SUMMARY:**

Relates to general plan housing elements. Requires an analysis of an available governmental subsidy program relative to preservation of affordable housing, and a program to implement the policies in the housing element to also identify available private funds. Provides a city located in Los Angeles County may elect to commit 50% of the tax increment funds to the county and the county may pledge moneys for bonds for low and moderate income housing.

**STATUS:**

04/12/2004

Withdrawn from ASSEMBLY Committee on LOCAL GOVERNMENT.

04/12/2004

Re-referred to ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT.

04/12/2004

From ASSEMBLY Committee on HOUSING AND COMMUNITY DEVELOPMENT with author's amendments.

04/12/2004

In ASSEMBLY. Read second time and amended. Re-referred to Committee on HOUSING AND COMMUNITY DEVELOPMENT.

CA AB 2348

**AUTHOR:** Mullin (D)  
**TITLE:** Housing Element: Regional Housing Need  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/19/2004  
**LAST AMEND:** 06/24/2004  
**COMMITTEE:** Senate Appropriations Committee  
**HEARING:** 08/12/2004 8:30 am  
**SUMMARY:**

Revises the criteria for the inventory of sites that can be developed for housing within the planning board to accommodate that portion of a city's or county's share of regional housing need for all income levels. Expands the relocation assistance available to persons displaced by sites identified for substantial rehabilitation. Revises the requirements that may be imposed on a development project that contributes to the housing need.

**STATUS:**

07/12/2004

In SENATE Committee on APPROPRIATIONS: To Suspense File.

**COMMENTARY:**

SCAG Staff participates in the Lowenthal Working Group that drafted AB 2348.007

| <b>Position:</b> |                          | CSAC-Pending, SCAG-Sup 06/03/2004   |
|------------------|--------------------------|---|
| CA AB 2702       | <b>AUTHOR:</b>           | Steinberg (D)   |
|                  | <b>TITLE:</b>            | Housing: Second Units   |
|                  | <b>FISCAL COMMITTEE:</b> | yes   |
|                  | <b>URGENCY CLAUSE:</b>   | no  |
|                  | <b>INTRODUCED:</b>       | 02/20/2004  |
|                  | <b>LAST AMEND:</b>       | 05/25/2004  |
|                  | <b>COMMITTEE:</b>        | Senate Appropriations Committee   |
|                  | <b>HEARING:</b>          | 08/12/2004 8:30 am  |
|                  | <b>SUMMARY:</b>          | Provides that a local agency may not preclude or effectively preclude 2nd units unless the local agency makes findings based on substantial evidence. Prohibits certain related ordinances. Prohibits a local agency from establishing minimum unit size requirements for attached or detached 2nd units below 550 livable square feet unless requested by the owner. Revises the parking requirements for 2nd units. Relates to incentives for housing developers. |
|                  | <b>STATUS:</b>           |   |
| 08/04/2004       |                          | In SENATE Committee on APPROPRIATIONS: To Suspense File.  |
| <b>Position:</b> |                          | CSAC-Opp, SCAG-Opp 06/03/2004   |
| CA AB 2980       | <b>AUTHOR:</b>           | Salinas (D)   |
|                  | <b>TITLE:</b>            | Housing Element: Self-Certification   |
|                  | <b>FISCAL COMMITTEE:</b> | yes   |
|                  | <b>URGENCY CLAUSE:</b>   | no  |
|                  | <b>INTRODUCED:</b>       | 02/20/2004  |
|                  | <b>LAST AMEND:</b>       | 04/19/2004  |
|                  | <b>LOCATION:</b>         | Assembly Appropriations Committee   |
|                  | <b>SUMMARY:</b>          | Provides procedures whereby a city or county may elect to participate in alternative production-based certification of its housing element and would make those cities and counties eligible for specified state housing funds in the same manner as other jurisdictions.   |
|                  | <b>STATUS:</b>           |   |
|                  | 05/05/2004               | In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.  |
| <b>Position:</b> |                          | CALCOG-Sup, CSAC-SupInConc  |
| CA SB 744        | <b>AUTHOR:</b>           | Dunn (D)  |
|                  | <b>TITLE:</b>            | Planning: Housing   |
|                  | <b>FISCAL COMMITTEE:</b> | yes   |
|                  | <b>URGENCY CLAUSE:</b>   | no  |
|                  | <b>INTRODUCED:</b>       | 02/21/2003  |
|                  | <b>LAST AMEND:</b>       | 05/25/2004  |
|                  | <b>LOCATION:</b>         | Assembly Local Government Committee   |
|                  | <b>SUMMARY:</b>          | Establishes within the Department of Housing and Community Development a Housing Accountability Committee consisting of 5 appointed members to hear appeals of city, county or city and county decisions on applications for the construction of housing developments that meet specified affordability requirements.   |
|                  | <b>STATUS:</b>           |   |
|                  | 06/09/2004               | In ASSEMBLY Committee on LOCAL GOVERNMENT: Not heard.   |
| <b>Position:</b> |                          | CSAC-Opp, League-Opp, SCAG-Opp 06/03/2004   |
| CA SB 898        | <b>AUTHOR:</b>           | Burton (D)  |
|                  | <b>TITLE:</b>            | Schoolsite Replacement Housing  |
|                  | <b>FISCAL COMMITTEE:</b> | no  |
|                  | <b>URGENCY CLAUSE:</b>   | no  |
|                  | <b>INTRODUCED:</b>       | 02/21/2003  |
|                  | <b>LAST AMEND:</b>       | 06/30/2004  |
|                  | <b>FILE:</b>             | 293   |
|                  | <b>LOCATION:</b>         | Assembly Third Reading File   |
|                  | <b>SUMMARY:</b>          | Authorizes a school district, community college district, or an eligible nonprofit corporation to acquire real property for to replace dwelling units displaced by a new schoolsite under the same conditions and requirements as a local governing agency. Requires that the acquisition be from a willing seller.   |
|                  | <b>STATUS:</b>           |   |

0008



|            |  |   |
|------------|--|---|
|            | 07/01/2004<br><b>Position:</b>   | In ASSEMBLY. Read second time. To third reading.<br>League-Opp                      |
| CA SB 1145 | <b>AUTHOR:</b> Burton (D)<br><b>TITLE:</b> Tenancy<br><b>FISCAL COMMITTEE:</b> no<br><b>URGENCY CLAUSE:</b> no<br><b>INTRODUCED:</b> 01/22/2004<br><b>LAST AMEND:</b> 06/08/2004<br><b>FILE:</b> 44<br><b>LOCATION:</b> Senate Unfinished Business<br><b>SUMMARY:</b><br>Extends indefinitely existing law which requires that if a landlord increases the rent of a month-to-month tenancy in excess of 10% of the amount of the rent charged to a tenant annually, the landlord shall provide an additional 30-days' notice prior to the effective date of the increase. Modifies the list of statements a landlord must provide a tenant to delete a required statement regarding a claim of security.<br><b>STATUS:</b><br>06/24/2004                                    | In ASSEMBLY. Read third time. Passed ASSEMBLY. *****To SENATE for concurrence.      |
| CA SB 1188 | <b>AUTHOR:</b> Chesbro (D)<br><b>TITLE:</b> Farmworker Housing<br><b>FISCAL COMMITTEE:</b> yes<br><b>URGENCY CLAUSE:</b> no<br><b>INTRODUCED:</b> 02/09/2004<br><b>LAST AMEND:</b> 04/22/2004<br><b>LOCATION:</b> Senate Appropriations Committee<br><b>SUMMARY:</b><br>Requires the Department of Housing and Community Development to provide local assistance to cities, counties, or cities and counties that provide land use approval to employee housing.<br><b>STATUS:</b><br>05/20/2004   | In SENATE Committee on APPROPRIATIONS: Heard, remains in Committee.                 |
| CA SB 1263 | <b>AUTHOR:</b> Torlakson (D)<br><b>TITLE:</b> Development Projects: Mandatory Approval<br><b>FISCAL COMMITTEE:</b> yes<br><b>URGENCY CLAUSE:</b> no<br><b>INTRODUCED:</b> 02/13/2004<br><b>LOCATION:</b> Senate Local Government Committee<br><b>SUMMARY:</b><br>Requires a public agency to approve a development project that is consistent with certain specific plans approved on or after July 1, 2004, unless the agency finds that approval would result in a specific adverse effect upon the public health or safety that cannot feasibly be mitigated or avoided.<br><b>STATUS:</b><br>02/26/2004<br><b>Position:</b>  | To SENATE Committees on LOCAL GOVERNMENT and ENVIRONMENTAL QUALITY.<br>CSAC-Pending |
| CA SB 1592 | <b>AUTHOR:</b> Torlakson (D)<br><b>TITLE:</b> Local Planning<br><b>FISCAL COMMITTEE:</b> yes<br><b>URGENCY CLAUSE:</b> no<br><b>INTRODUCED:</b> 02/20/2004<br><b>LAST AMEND:</b> 06/09/2004<br><b>LOCATION:</b> Assembly Local Government Committee<br><b>SUMMARY:</b><br>Requires each city and each county to adopt or amend an infill ordinance or a specific plan for infill development that identifies potential infill sites and specifies appropriate zoning to encourage infill development on vacant and underutilized parcels. Requires the infill ordinance or specific plan to provide at least 5 incentives for infill housing from a specified list of 10 incentives. Requires each city and county to comply within a certain time period.<br><b>STATUS:</b> |   |

06/16/2004  
Position:

In ASSEMBLY Committee on LOCAL GOVERNMENT: Not heard.  
CSAC-Pending

CA SB 1818

**AUTHOR:** Hollingsworth (R)  
**TITLE:** Density Bonuses  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/20/2004  
**LAST AMEND:** 07/28/2004  
**LOCATION:** Assembly Second Reading File  
**SUMMARY:**

Relates to the Planning and Zoning Law which requires, when a housing developer proposes a development, that the city or county provide the developer with a density bonus or other incentives for the production of lower income housing units if the developer meets certain requirements. Requires that the local government provide a density bonus, incentives or concessions for the production of housing or child care facilities.

**STATUS:**

08/11/2004

From ASSEMBLY Committee on APPROPRIATIONS: Do pass as amended.

**Private file:** LocalFinance

CA ACA 5

**AUTHOR:** Cogdill (R)  
**TITLE:** Local Government Finance: Property Tax Revenue  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 12/11/2002  
**LOCATION:** Assembly Appropriations Committee  
**SUMMARY:**

Proposes a constitutional amendment to modify property tax reduction and transfer requirements, for the 2004-05 fiscal year and each fiscal year thereafter, by prohibiting the total amount allocated to a county's Educational Revenue Augmentation Fund from exceeding the applicable percentage, set forth in a specified schedule, of the total amount allocated to that fund for the 2002-03 fiscal year.

**STATUS:**

05/28/2003

In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.

05/28/2003

In ASSEMBLY Committee on APPROPRIATIONS: Heard, remains in Committee.

**Position:**

CSAC-Sup, League-Sup

CA SB 1212

**AUTHOR:** Ducheny (D)  
**TITLE:** Local Government Finance  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/11/2004  
**LAST AMEND:** 06/28/2004  
**COMMITTEE:** Assembly Appropriations Committee  
**HEARING:** 08/12/2004 8:30 am  
**SUMMARY:**

Provides that beginning with the 2005-06 fiscal year, an indefinite offset of the vehicle license fee by 67.5% and eliminates reimbursement payments to counties and cities that are required under the Vehicle License Fee Law. Requires each county and city annually receive, beginning with the 2005-06 fiscal year, a defined base amount. Reduces these payments if the vehicle license fee is increased.

**STATUS:**

08/04/2004

In ASSEMBLY Committee on APPROPRIATIONS: To Suspense File.

**NOTES:**

Moreno Ducheny Staff: Mark Stivers (916) 445-8740

**COMMENTARY:**

The 2004 Legislative Program calls for SCAG to monitor local finance legislation via groups like the League of California Cities to preserve SCAG resources. SB 1212 attempts to minimize the fiscalization of land use, a traditional SCAG issue. SCAG opposed AB 1221 (Steinberg) in 2003 that would have effected a tax swap to stabilize the tax base.

CA SB 1312

**AUTHOR:** Hollingsworth (R)  
**TITLE:** Historical and Cultural Resources

0010

**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/17/2004  
**LOCATION:** Senate Natural Resources and Wildlife Committee  
**SUMMARY:**

Appropriates an unspecified sum to the Department of Parks and Recreation for allocation for the purpose of recovering, restoring, or rebuilding significant historical and cultural buildings, resources, or artifacts affected by the Southern California wildfires of 2003 in any of the affected Counties of Los Angeles, Riverside, San Bernardino, San Diego, or Ventura.

**STATUS:**

04/13/2004 In SENATE Committee on NATURAL RESOURCES AND WILDLIFE: Not heard.

CA SCA 9

**AUTHOR:** Brulte (R)  
**TITLE:** Transportation  
**FISCAL COMMITTEE:** no  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/20/2003  
**LAST AMEND:** 07/29/2004  
**LOCATION:** Senate Rules Committee  
**SUMMARY:**

Proposes an amendment to the Constitution to make nonsubstantive changes related to authorizing funds in the Public Transportation Account in the State Transportation Fund to be loaned to the General Fund under specified conditions.

**STATUS:**

08/09/2004 Re-referred to SENATE Committee on RULES.

**Private file: SCAG**

CA AB 1065

**AUTHOR:** Longville (D)  
**TITLE:** Local Sales and Use Taxes: County Rate  
**FISCAL COMMITTEE:** no  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/20/2003  
**LAST AMEND:** 05/12/2003  
**LOCATION:** Senate Revenue and Taxation Committee  
**SUMMARY:**

Authorizes a county to impose a sales and use tax under the Bradley-Burns Uniform Local Sales and Use Tax Law at a rate of either 1.25% or 1.5%. Requires county ordinances that imposes taxes under the law to include a provision that requires a county to adhere to the voter-approval requirements of a specified provision of the California Constitution.

**STATUS:**

06/23/2004 In SENATE Committee on REVENUE AND TAXATION: Failed passage.  
 06/23/2004 In SENATE Committee on REVENUE AND TAXATION: Reconsideration granted.

CA AB 2207

**AUTHOR:** Levine (D)  
**TITLE:** Statistical Districts: San Fernando Valley  
**FISCAL COMMITTEE:** yes  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/18/2004  
**ENACTED:** 07/19/2004  
**LOCATION:** Chaptered  
**CHAPTER:** 181  
**SUMMARY:**

Requires any state agency or department that develops and maintains data and statistics on the municipal level, to make a separate breakdown of the San Fernando Valley, in the preparation and maintenance of any statistical analyses by city. Authorizes state agencies to require the City of Los Angeles to provide all necessary data. Provides for an alternative method be used to determine the separate breakdown if a tax area code is used in the analysis.

**STATUS:**

07/20/2004 Chaptered by Secretary of State. Chapter No. 181

**COMMENTARY:**

The statistical data that will be provided as the result of enactment of AB 2207 will assist SCAG's planning efforts.

0011

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**Position:** SCAG-Sup 04/02/2004

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CA AB 2934

**AUTHOR:** Benoit (R)  
**TITLE:** Public Agencies: Joint Powers Agencies  
**FISCAL COMMITTEE:** no  
**URGENCY CLAUSE:** no  
**INTRODUCED:** 02/20/2004  
**LOCATION:** ASSEMBLY

**SUMMARY:**

Amends existing law authorizing two or more public agencies, if authorized by their legislative bodies, to enter an agreement to jointly exercise any power common to the two agencies.

**STATUS:**

02/20/2004 INTRODUCED.

**COMMENTARY:**

As a JPA, SCAG is already authorized by law to enter joint exercise agreement. This is a spot bill; monitoring for further developments.

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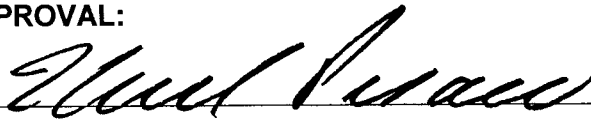
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# REPORT

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**TO:** Community, Economic and Human Development Committee (CEHD)  
**FROM:** Jacob Lieb, Acting Lead Regional Planner, (213) 236-1921, lieb@scag.ca.gov  
**SUBJECT:** Regional Comprehensive Plan Concepts and Approach  
**DATE:** September 2, 2004

**EXECUTIVE DIRECTOR'S APPROVAL:**



**RECOMMENDED ACTION:**

Recommend that the Regional Council approve proposed concepts and approaches for the Regional Comprehensive Plan.

**BACKGROUND:**

As part of the approval of the SCAG Strategic Plan on October 3, 2002, as well as the approval of the Compass Growth Vision on June 3, 2004, the Regional Council has directed the creation of a new Regional Comprehensive Plan (RCP). The purpose of this RCP is to serve as a tool for implementing regional policies and programs, in particular the Regional Transportation Plan, its associated Program Environmental Impact Report, and the Compass Growth Vision. The RCP consolidates and translates programs and policies of SCAG in order to facilitate and promote external, independent actions. The Fiscal Year 04-05 Work Plan calls for SCAG to take all steps necessary to complete a draft plan. Review and adoption of a final RCP is planned for Fiscal Year 05-06.

SCAG staff has taken several steps in preparation for the RCP update, including

1. Creating a preliminary concept paper,
2. Creating a draft plan outline,
3. Creating a draft outreach plan, and
4. Compiling a preliminary catalogue of standing SCAG policies.

These preliminary products are attached. Taken as a whole, they lay out the concepts and approaches that staff proposes to use for the completion of the Comprehensive Plan. There are several issues of note for Committee consideration, which are discussed briefly below.

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# REPORT

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Foremost, the plan process is intended to compile existing policies and to set out practical implementation options. As such, staff does not envision extensive new policy making deliberations for the RCP.

For the development of the plan SCAG envisions a public outreach effort that is targeted to stakeholder audiences. The specific purpose of such outreach is to determine the best structure for action plans and implementation options for the target audience (primarily local governments, transportation agencies, and other government entities). Through this outreach effort, however, new policy options may emerge, particularly in areas outside SCAG's core transportation, land use, and housing topics.

The recently adopted Compass Growth Vision will serve as the central theme of the RCP. The plan will contain a discussion of the vision and the potential implications for the plan's audience. Further, each topic chapter will contain a discussion on applicable Growth Principles (Mobility, Prosperity, Livability, Sustainability).

As the policy committee which has purview over the Growth Vision, and comprehensive planning generally, the CEHD Committee will guide the overall effort for the RCP. However, chapter and topic issues that clearly pertain to environmental and transportation issues will be decided by the Energy and Environment Committee and the Transportation and Communication Committee respectively. All three committees will receive regular progress updates.

## **ATTACHMENTS:**

- Concept Paper
- Outreach Plan
- Preliminary Outline
- Preliminary Policy Catalogue

## **FISCAL IMPACT:**

Preparation of the Regional Comprehensive Plan is included in the SCAG Overall Work Program for Fiscal Year 2004-2005 (wbs 05-035).

**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS  
2004-2005 REGIONAL COMPREHENSIVE PLAN  
CONCEPT AND PRELIMINARY WORK PLAN**

**Purpose:**

The Regional Comprehensive Plan (RCP) promotes policy objectives of the Regional Council, fulfills and implements the new organizational Strategic Plan, and serves to assist outside parties in implementing regional plans. As such, the Regional Comprehensive Plan is an extension of SCAG's other, on-going planning efforts, notably, the Regional Transportation Plan (RTP) along with the RTP Program Environmental Impact Report (PEIR), Regional Transportation Improvement Plan, and Southern California COMPASS. The RCP serves to consolidate and translate those efforts to promote external, independent action.

**Features of the Plan**

- **Comprehensive:**  
The RCP, as noted above, is primarily intended as a guide for local governments and other external entities in interpreting and implementing other regional plans and policy objectives. As such, it focuses on areas of SCAG responsibility as defined by Federal and State law, including transportation planning, air quality, housing, and growth. A chapter is dedicated to each of these areas. However, in recognition of the inter-connected-ness of planning disciplines, and with an eye toward outcomes, the RCP treats all issues related to the region's overall well-being. As such, chapters are dedicated to such issues as the economy, resource management as well as other (tbd).
- **Action Oriented**  
The RCP will describe conditions and objectives around each issue. However, the major focus of each chapter will be on specific actions for specific identified stakeholders. The RCP will be the primary tool for implementing mitigation measures committed by SCAG in the RTP PEIR. Further, the RCP will create definitions and delineate thresholds for SCAG's Inter-Governmental Review efforts.
- **Advisory**  
SCAG is a voluntary member organization comprised of local governments, and creates a forum with the ability to affect policy and practice of outside parties. As such, the RCP is intended to be an advisory document that clearly lays out steps that local governments and others can choose to take in support of regional objectives. The decision to pursue such objectives belongs solely to the independent actor. That said, SCAG will work proactively to demonstrate the benefits of pursuing the objectives identified in the plan.
- **Long Range**  
The RCP is intended to work as a companion piece to other planning efforts around the region and state. Though the RCP is updated by SCAG periodically (approximately 3-5 years), the plan itself will discuss long term actions and outcomes for the region. At a minimum, the RCP will feature the same 25-year planning horizon featured in the RTP. At the same time, the plan will discuss shorter term goals and objectives analogous to the horizons in the RTIP.

- **Format**  
As described above, and similar to previous RCP, the plan will contain a chapter each devoted to identified issue areas. These areas will include transportation, environment, growth/land-use, and housing (exact titles tbd). Other areas will be added based on future discussion. Each chapter will contain a like format which will include a description of a specific regional policy objective(s) current conditions, a discussion of potential approaches, and recommended actions/menu of options for specified stakeholders.

## **Preparation**

- **Policy Guidance**  
As noted above, the RCP serves to advance policy objectives as determined by the Regional Council and featured in other SCAG plans. Particularly of note, the Southern California Compass (Growth Visioning) project features several specific recommendations for local governments aimed at improving land-use and urban form in the region and building efficiencies in the transportation system. The 2005 RCP will contain special emphasis on local implementation actions that emerge from the Compass program.
- **Cooperative Approach**  
As the RCP is intended to facilitate action by outside parties, the process for developing the plan must be open and participatory. The plan will be based around established Regional Council policies. In addition, SCAG proposes to involve local and other levels of government, private industry groups, residents and other stakeholders in the development of the plan. SCAG will utilize various on-going public outreach and involvement efforts to this end, but may also form a single purpose, ad-hoc advisory group for this purpose.
- **Timelines**  
Drafting of some chapters, based on assignment in 2003-04 Work Programs, will proceed prior to July 2004. Otherwise, plan milestones and progress will be as follows:
  1. Policy Committee, public dialogue on policy objectives  
July-Sept. 2004
  2. Regional Council sign-off on project plan, policy objectives  
Sept. 2004
  3. Stakeholder participation process  
Sept-Jan 2004
  4. Drafting  
Jan-June. 2005
  5. Draft Review, Policy Committees and R.C.  
June 2005
  6. Adoption  
Summer or fall 2005



**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS  
REGIONAL COMPREHENSIVE PLAN  
PRELIMINARY OUTLINE  
August 2004**

**PLANNING SUBJECT AREA**

**Synopsis:** The Regional Comprehensive Plan will bring together the diverse range of programs and plans developed by SCAG, and synthesize these within the strategic context of the recently adopted Compass Growth Vision. SCAG's purpose in preparing this document is to better connect regional-scale planning efforts with city, county, and independent actions. In order to best serve potential users, the Regional Comprehensive Plan will be organized into topical chapters focusing on specific planning areas. Where possible, these chapters will be consistent with and supportive of required local General Plan elements. For continuity, each chapter will have a similar format, and consistent sub-sections. In general, each chapter will have three broad components--an introductory portion describing prevailing conditions, policies and indicators; an analytic portion which draws out the reciprocal linkages between each planning area and the Compass Principles of Livability, Prosperity, Mobility, and Sustainability; and an action component which presents mandatory as well as recommended measures and best management practices. Through this organization, the RCP will strengthen the connectivity between the recently adopted Compass Growth Vision and each of SCAG's planning areas in a consistent and accessible manner.

As follows:

**Introduction and Executive Summary**

- i) Purpose of RCP
- ii) SCAG's broad policy goals
- iii) Use of the document

**Introduction and Discussion of Compass Growth Vision as Major Theme**

**1) Transportation**

- a) Background:
  - i) Discussion, current conditions
  - ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

**2) Land Use**

- a) Background:
  - i) Discussion, current conditions

\*How indicators will be handled in the RCP requires more discussion. Likely, the RCP will simply record the results of other on-going efforts (Compass, Benchmarks Task Force, etc.)

\*\*Best practices will be developed through advisory group deliberations and literature review.

- ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

### 3) Housing

- a) Background:
  - i) Discussion, current conditions
  - ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

### 4) Air Quality

- a) Background:
  - i) Discussion, current conditions
  - ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

### 5) Economy

- a) Background:
  - i) Discussion, current conditions
  - ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

### 6) Energy

- a) Background:

\*How indicators will be handled in the RCP requires more discussion. Likely, the RCP will simply record the results of other on-going efforts (Compass, Benchmarks Task Force, etc.)

\*\*Best practices will be developed through advisory group deliberations and literature review.

- i) Discussion, current conditions
  - ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

## 7) Water

- a) Background:
  - i) Discussion, current conditions
  - ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

## 8) Habitat and Open Space

- a) Background:
  - i) Discussion, current conditions
  - ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

## 9) Solid Waste

- a) Background:
  - i) Discussion, current conditions
  - ii) SCAG policies
  - iii) Measurement/Indicators\*
- b) Analysis:
  - i) Responsiveness to principles
- c) Action:
  - i) Mandatory actions (EIR mitigations)
  - ii) Advisory
  - iii) Best Practices\*\*

\*How indicators will be handled in the RCP requires more discussion. Likely, the RCP will simply record the results of other on-going efforts (Compass, Benchmarks Task Force, etc.)

\*\*Best practices will be developed through advisory group deliberations and literature review.

**SCAG  
REGIONAL COMPREHENSIVE PLAN  
PRELIMINARY OUTREACH PROGRAM  
JUNE 2004**

**Background and Purpose**

The Regional Comprehensive Plan (RCP) is an implementation tool for existing policies and programs of SCAG. Its purpose is to consolidate, translate, and interpret policies included in the 2004 RTP, the Growth Vision, and other plans and documents in order to promote independent actions of external parties. As such, the RCP development is not, on its own, a policy making exercise. This outreach plan reflects that premise.

Outreach is to be conducted during the course of preparation and adoption of the Regional Comprehensive Plan in order to assure that the document is useful for external parties and effective in reaching overall plan objectives. Further, the development of the RCP should be viewed as a member service and as an example of SCAG pursuing regional leadership in support of its mission and Strategic Plan.

Outreach specific to the RCP is to be limited in nature. While the plan will be developed in an open public process, the purpose of outreach is to collect input from specific stakeholders for specific issues. However, the RCP will be part of the larger outreach and public relations efforts of SCAG in general and the Compass program, in particular. In those settings, RCP-specific content will describe what the plan is, and how it fits in the context of SCAG programming. In particular, the RCP will be described as one of the implementation efforts of the Compass regional vision. Material of this type will likely consist of 2-3 slides to be incorporated into presentation on general SCAG or Compass topics.

**Definition**

Outreach and involvement for RCP is to be a dialogue and exchange of ideas between SCAG and stakeholders groups that will inform the development of the plan.

**Stakeholders**

**Primary**

Primary stakeholders are members of SCAG – local governments, sub-regions, and CTCs.

**Secondary**

Secondary stakeholders are other government entities – State, Fed. Special district

**Tertiary**

Tertiary stakeholders are private entities that are capable of affecting desired plan outcomes – e.g. developers

**Proposed outreach options**

- Ad-hoc standing task force/working group

A group composed mostly of primary stakeholders would meet approximately bi-monthly to discuss objectives, organization, and content of the plan. This group would be self-selected, its membership confirmed by the CEHD Committee, and would be advisory to the CEHD. It is hoped that this group will be formed primarily through discussion with the American Planning Association and Urban Land

Institute which are currently underway related to Compass implementation. The CEHD Committee will select its own representatives to this group.

- Topic Specific Groups

For topics outside of SCAG's core planning areas, including energy, habitat, waste, etc., staff will convene topic specific experts and interests in a workshop format. The purpose of these workshops will be to review the overall goals of SCAG and the RCP, to discuss policies held by other regional agencies, and to determine appropriate direction for action plans. At the determination of each topic specific groups, this process may be extended to a series of no more than 4 meetings each.

- Focus group

A focus group can be useful in refining the approach and content of the plan since it can involve people other than the regularly participating stakeholders. At one or two appropriate points in the development of the RCP, a focus group will be convened, including primary, secondary, and tertiary stakeholders, for the purpose of getting feedback on the usefulness of the RCP.

- Introductory outreach efforts

SCAG will undertake various efforts during the first half of FY04-05 to introduce the RCP effort and answer basic questions. These efforts will include presentations to the Regional Council, policy committees, Sub-Regional Coordinators, and subregions. Additionally, staff will prepare fact sheets and material for other SCAG presentations. These materials will emphasize the context in which the RCP fits (implementation tool for RTP, Compass), and familiarize the audience with the work program and schedule. The audience for this introductory effort is SCAG's regular business partners (RC, sub-regions, etc.)

- Periodic events

RCP events will be together or in close coordination with the Compass program. At a minimum, SCAG will hold a kickoff event for all of the region's City Managers and Planning Directors. The event will review SCAG policies contributing to the RCP and invite input on how to make the plan useful and effective in a local setting. This event will also help to populate the on-going task force. Additional events may be desirable when a draft plan is completed or near completion.

- Electronic communication

SCAG may wish to dedicate a web page to RCP development issues and updates. This would likely be best accomplished in coordination with the COMPASS program. Further, SCAG may use a list serve.

- Internal on-going public process

The direction of the RCP effort will be from the CEHD Committee, with advice from the Ad-hoc Task Force/Working Group. Issues related to specific topic areas (e.g. housing, air quality) will be under the purview of the appropriate policy committee. Regular updates will be provided to the policy committees for information. The RCP work effort describes milestones where RC action would be required. However, regular updates will also be provided.

- External on-going public process

SCAG will provide presentations on request for sub-regions and local governments (e.g. City Council meetings).

- Materials

The RCP effort will provide materials for use in on-going SCAG and Compass outreach programming. This will consist of slide presentations, fact sheets, and web content describing the purpose and intent of the RCP along with progress updates.

**SCAG  
REGIONAL COMPREHENSIVE PLAN  
PRELIMINARY REGIONAL POLICY CATALOGUE**

The Regional Comprehensive Plan (RCP) will compile all current and applicable policies created by the Regional Council (RC). SCAG staff has conducted a review of current plans and RC actions upon which to build the RCP. This catalogue describes the different types of policies and how they will be treated in the creation of the plan.

**CURRENT MAJOR PLANS**

**The principles, goals, policies, and strategies in current major plans will be included in the RCP.**

1. The **2004 Regional Transportation Plan (RTP)** contains six specific goals, six priorities, and five guiding policies, as follows:

**Goals**

1. Maximize **mobility** and **accessibility** for all people and goods in the Region
2. Ensure travel **safety** and **reliability** for all people and goods in the Region
3. **Preserve** and ensure a **sustainable** regional transportation system
4. Maximize the **productivity** of our transportation system
5. Protect the **environment**, improve air quality and promote energy efficiency
6. Encourage **Land-use and growth patterns** that complement our transportation investments

**Priorities**

- The Region's vast investments in multi-modal transportation infrastructure must be protected.
- A maturing system dictates an increased operational focus that leverages technology to maximize the system's productivity.
- Air quality for the Region's residents must be improved and meet federal regulations.
- The investments in the RTP must address travel safety and modal balance; recognize the importance of providing safe travel choices; meet the needs of transit dependents and the goods movement community; and provide connections among the highway system, ports, and airports.
- For the first time, the RTP also integrates land-use policies as a means to influence transportation performance and the economy.
- The RTP must address all these priorities and more in the most cost-effective manner so that mobility and accessibility is maximized for people and goods.

**Policies**

1. Transportation investments shall be based on SCAG's adopted Regional Performance Indicators.

2. Ensuring safety, adequate maintenance, and efficiency of operations on the existing multi-modal transportation system will be RTP priorities and will be balanced against the need for system expansion investments.
3. RTP land use and growth strategies that differ from currently expected trends will require a collaborative implementation program that identifies required actions and policies by all affected agencies and subregions.
4. HOV gap closures that significantly increase transit and rideshare usage will be supported and encouraged, subject to Policy #1.
5. Progress monitoring on all aspects of the Plan, including timely implementation of projects, programs, and strategies, will be an important and integral component of the Plan.

The RTP also contains various measures and strategies used to implement these broader policies. These include a decentralized regional aviation strategy, increases in bus rapid transit among many others.

2. The **Compass Growth Vision** contains four Growth Principles, including:

- Mobility
- Prosperity
- Livability
- Sustainability

Further, the vision contains a number of measures and strategies intended to promote the principles. The vision also identifies growth opportunity areas, within which intensified land use is called for.

3. **2004 RTP Program Environmental Impact Report (PEIR)**

The PEIR contains 39 mitigation measures for which SCAG is the responsible party.

4. **2004 Regional Transportation Improvement Plan (RTIP)**

The 2004 RTIP has not to date been adopted, but is scheduled for the September Regional Council meeting. Staff will review the RTIP for policy implications pending its adoption.

## **OTHER REGIONAL POLICIES**

Staff has reviewed other sources of regional policies. In these areas, policies will be included in the Regional Comprehensive Plan based upon a staff determination that they are current and are broadly applicable across the region.



## 1. Regional Council Resolutions

Staff reviewed Regional Council Resolutions, but will not specifically consider them for the RCP because they either:

- a. are adopted along with major plans, and are therefore do not contain additional policy direction over and above the plans themselves, or
- b. are adopted for a single purpose that does not have an on-going regional application.

## 2. Legislative Positions

Each year, the Regional Council adopts a Legislative Program, which will be treated as policy and included in the RCP. Further, SCAG has positions on numerous pieces of State and Federal Legislation. To a large degree, these positions cannot be synthesized into cohesive regional policy. To the extent that SCAG's position on legislation relates to clearly established agency priorities such as Housing Element reform, they will be included in the RCP.

## 3. Ad-Hoc, Single Issue Policies

SCAG has established several policies by incorporated into stand-alone reports and task force work. These include but are not limited to water policies and transportation funding proposals.

## 4. 1996 Regional Comprehensive Plan and Guide (RCPG)

The 1996 contains policies largely based around the 1994 RTP. The 2005 RCP will replace the 1996 RCPG.

# MEMO

**DATE:** August 11, 2004

**TO:** Transportation and Communications Committee  
Community, Economic, and Human Development Committee

**FROM:** Bruce DeVine, Chief Economist 213-236-1903, e-mail: devine@scag.ca.gov

**SUBJECT:** Report on Logistics & Distribution: An Answer to Regional Upward Social Mobility

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## SUMMARY:

The subject report was prepared by economist John Husing, who will present its findings to the Committees. It describes how the logistics industry will be a source of job advancement and good pay for the expanding minimally educated segments of Southern California's population. It also describes several regional strategies that will help ensure that the expected growth in logistics can occur, bringing these and other benefits to the region.

## BACKGROUND:

The report documents the SCAG region's recent loss of relatively high-paying jobs in the manufacturing sector and the growth in lower-paying service sector jobs, along with the associated decline in per capita income and average payroll relative to other major metropolitan areas. The study points out that average earnings in the logistics industry are higher than those in either construction or manufacturing. It shows how the industry can accept less-educated workers into job ladders that can be climbed through on-the-job training and experience.

Moreover, the logistics and distribution industry has tremendous growth potential in southern California. Much of the nation's Asian trade passes through Los Angeles and Long Beach harbors. That volume will accelerate with the growth of Asia's economies and the advent of huge post-Panamax shipping vessels. This new breed of container ships is very wide and deep draft and must use one of these deepwater ports or Seattle-Tacoma since they cannot fit through the Panama Canal.

The report also describes the challenges facing the region in providing the infrastructure needed to support the growth in logistics. Major investments will be needed to reap the benefits of more productive employment for the minimally educated, as well as the improvements in noise and air quality that will come with a more efficient goods movement system. The report describes several strategies to provide the needed facilities, which are already being contemplated by SCAG and other public and private entities, including:

- Dedicated truck lanes
- Expanded railroad track and grade separations
- High-speed Maglev system
- Additional intermodal rail yards
- Shuttle trains to inland "ports" or intermodal rail yards
- Expanded air cargo capacity.



# MEMO

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These specific strategies will be further developed through the appropriate SCAG task forces and committees, with the full participation of partners and other stakeholders in the planning process.

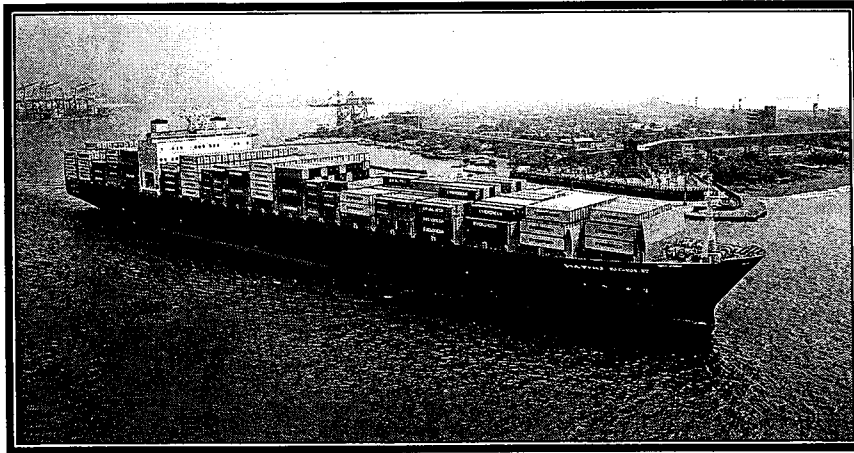
## **FISCAL IMPACT:**

Staff time in support of this analysis is covered by Work Element 05-130 in the current Overall Work Program. Accepting the report findings will have no fiscal impact on SCAG.

#102186 - J. Husing report to TCC & CEHD  
DeVine 8/11/04

# **Southern California Association of Governments**

## **Logistics & Distribution: An Answer to Regional Upward Social Mobility**



**Post-Panamax Super-Cargo Ships: The Future of Ocean Trade**

**By**

**John E. Husing, Ph.D.**

**June 9, 2004**

**Economics & Politics, Inc.**

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# Logistics & Distribution: An Answer to Regional Upward Social Mobility

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# Logistics & Distribution: An Answer to Regional Upward Social Mobility

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# Logistics & Distribution: An Answer to Regional Upward Social Mobility

By John E. Husing, Ph.D.

## EXECUTIVE SUMMARY

In the late 1950's, President Dwight Eisenhower recognized the close connection between transportation infrastructure, economic efficiency and the standard of living. He therefore launched the building of the Interstate Freeway. It is hard to imagine the performance of today's U.S. economy had that conservative President not convinced the Congress to move forward with the investment in this extraordinary system. In the 1960's, Governor Pat Brown saw the connection between infrastructure and economic growth and undertook the building of the California State Water Project. Again, it is hard to imagine the performance of California's economy had that moderate Governor not made the investment in this mammoth project.

In the 2000's, Southern California faces infrastructure challenges that rival those efforts. If the area's economic power is to be unleashed, its economy must be freed of the constraints imposed by lack of truck, rail and airport infrastructure. Investment in these projects would have the beneficial effect of allowing the region's logistics sector to accelerate by providing a growing base of good paying jobs which its marginally educated workers can learn via on-the-job experience and learning. This would appear to be the only route the region has available to helping those workers achieve growing standards of living while simultaneously correcting the recent deep slide in Southern California's relative prosperity vis-à-vis other major parts of the country. Importantly, this investment would do so while helping to mitigate the environmental difficulties caused by the inevitable increase in truck and rail traffic congestion and idling diesel engines.

**Falling Job Quality & Per Capita Rankings.** For Southern California, the importance of dealing with these issues begins with understanding that from 1987-2001 the SCAG region slipped from 4<sup>th</sup> to 17<sup>th</sup> in per capita income among the 17 consolidated metropolitan areas in the United States. Worse, despite tremendous job growth in the post-Cold War recession period, the region slipped from 4<sup>th</sup> to 11<sup>th</sup> in average payroll per job. This decline in the region's relative standard of living came about as the 12 sectors that shrank from 1990-2003 were largely high paying manufacturing sectors that paid an average of \$45,165 a year. At the same time, the 12 sectors that provided the most job growth averaged only \$33,145.

**Cost Competitiveness An Issue.** In part, this situation came about because slippage occurred due to California's high cost environment. Recently, this has been evidenced by its very high workers compensation costs relative to other states, its high electrical rates and its extraordinarily expensive housing. As a result, companies in the sectors that have come under pressure in recent years have either avoided the state, put their growth elsewhere, or in the worst situations moved away. This has applied to aerospace/defense firms in the early 1990's, high technology companies in the late 1990's and general manufacturing in the past three years. Historically what has propelled the state's economy have been waves of innovation that have created large numbers of new jobs as California's risk taking environment and successful university systems have spawned the successful marriage of entrepreneurship, research and well educated workers.

**Large Numbers of Marginally Educated Workers.** Unfortunately, despite the technology boom of the late 1990's, Southern California's relative prosperity continued to slip. The reason appears to be the area's inability to provide a path to prosperity for its very large and growing

number of marginally educated workers. In the past, this group benefited during prosperous times because of the skill ladders inherent in the manufacturing sector. These firms provided acceptable starting wages to unskilled workers. It also provided them with a hierarchy of jobs up which they could move to higher levels of responsibility and income based upon experience and on-the-job learning. Unfortunately, international competition is eliminating manufacturing as a force in both the California and U.S. economies.

**Logistics: A Good Paying Sector With Defined Skill Ladders.** As a result, if Southern California is to increase the average level of prosperity for its labor force, it is imperative that a sector emerge that can replace manufacturing in providing these conditions. Fortunately, this is occurring with the logistics group that includes companies in such fields as wholesale trade; truck, rail and air transportation; general warehousing; and non-local courier services. It also includes operations ancillary to these sectors providing such goods handling services as stevedoring, container loading, vehicle towing and air traffic control.

From 1990-2003, this group was one of the few non-population related sections of Southern California's economy to provide significant job growth. In addition, the average 2003 pay level in logistics (\$45,314) exceeded that of the other two blue collar sectors: manufacturing (\$43,871) and construction (\$40,439). This was also true for two of the three largest employing sectors in this group: wholesale trade (\$46,892 for 352,373 workers) and support activities (\$49,829 for 52,662 workers). Meanwhile, the logistics group provides unskilled workers with entry level salaries well above the minimum wage at \$8.07 to \$10.45 depending on the sector. From there, workers can attain significantly better pay through experience and on-the-job learning as they move up to \$12.96 to \$14.91 an hour with minimal experience, and on to annual average incomes in the mid-\$30,000's to high \$40,000's with more experience.

Relatively strong pay scales are possible in the logistics sector because it has become one of the most capital and information intensive parts of the U.S. economy. The shift occurred because of the adoption of "just-in-time" systems by the nation's manufacturers and retailers. These systems track inventories and only order new merchandise once existing supplies start to disappear. Logistics companies thus receive orders in a computerized format and must respond rapidly. As a result, functions like transmitting orders to foremen, communicating orders to warehousemen, picking-up orders and placing them on conveyor belts, tracking orders along highways, checking that goods meet design specifications, assembling or repairing merchandise, or driving delivery routes are governed by complex information systems. Workers are paid well because of the efficiency inherent in their increasing use and understanding of technologies like bar coding-laser scanners, e-mail, word processing, personal digital assistants, global positioning systems, geographic information systems, and robotics plus various measuring and calibration devices.

**Logistics: Powerful Long Term Potential In Southern California.** In the long term, the growth of logistics employment in Southern California should not be a short term phenomenon. Since 1990, the group has been one of the few non-population serving portions of the economy to add a significant number of jobs. The just-in-time system has caused the distribution industry to create a series of large goods holding centers across the U.S. and Southern California is one of them. In part, this has occurred because of the fact that much of the nation's Asian trade passes through Los Angeles and Long Beach harbors. That volume will accelerate with those economies and the advent of giant post-Panamax container ships that are very wide and deep draft and

must use one of these harbors or Seattle Tacoma since they cannot go through the Panama Canal. The rapidly rising volume of e-commerce will further encourage the sector since it also requires the tightly controlled and rapid movement of goods using information technology. For this reason, the long term forecasts for international trade, air cargo tonnage, rail trips and container lifts are all extremely high for Southern California.

**Logistics: Significant Issues.** That said, the growth of the logistics group is not guaranteed due to the major issues it raises. Whether it is giant warehouses (*up to 60 acre sites*), large intermodal facilities or major airports, the facilities required by logistics firms require very large tracts of vacant land. In addition, each job requires about 2,200 square feet of space versus 1,000 square feet in manufacturing and 300 square feet in office sectors. These facts often engender opposition from neighbors and elected representatives. The huge land requirements mean that much of the future growth of logistics must occur in Southern California's inland counties. This will have the advantage of putting good paying jobs with a strong job ladders in the area that needs them the most due to its large marginally educated workforce. However, it also means that the inland area will be abnormally burdened by the logistics group's intense use of land, its heavy truck traffic, the closing of arterial streets by trains, the noise of train whistles and the air quality impacts of diesel fumes. Meanwhile, the logistics group's success is endangered by the lack of transportation infrastructure that underlies many of these difficulties.

**Logistics: Strategies For Success.** Fortunately, a variety of strategies exist that can allow the logistics group of sectors to increase the productivity of Southern California's economy while simultaneously helping to raise the living standards of Southern California's marginally educated workers and ameliorating the worst of its side effects.

- **Operation Jump-Start.** SCAG has proposed Operation Jump-Start, a series of privately funded initiatives that would accomplish several tasks. Two dedicated truck lanes would be built along the 141.8 miles from the Victor Valley to the ports (*\$16.5 billion*). These projects would separate trucks from cars, reducing congestion, speeding the movement of goods and reducing driving dangers. The trucking industry would consider fees to pay for this infrastructure in exchange for triple trailering on the dedicated routes. Expanded rail track would be built along the UPSP and BNSF lines from Los Angeles through the San Gabriel Valley, Orange County and urbanized Inland Empire (*\$1.2 billion*). In addition, grade crossings would be built separating the major arterials streets from these tracks (*\$2.2 billion*). These projects would allow rail capacity to expand to meet the demand. Arterials would no longer be severed by passing trains. The speed of goods transit in and out of Southern California would be increased. Train whistles would no longer be used in urbanized areas. Finally, a Meglev train from LAX to ONT would be built, helping to further reduce road congestion and tying those two airports together. Together, these strategies would lead to the freer movement of trucks and trains, reducing diesel emissions from idling vehicles.
- **Shuttle Trains-Inland Port.** Currently, international cargo bound for Southern California is off-loaded near downtown Los Angeles with much of it hauled by truck to warehouses in the Inland Empire. The Alameda Corridor Transit Authority is investigating the feasibility of building an intermodal rail yard for international cargo in the inland area. Shuttle trains would speed the flow of this merchandise to the area while removing

it from the congested freeways. This strategy would require the expanded rail capacity outlined above.

- **Additional Intermodal Rail Yards.** As with other aspects of Southern California's goods handling infrastructure, the region's intermodal rail yards near downtown Los Angeles and in San Bernardino are reaching their absolute capacity causing time delays in moving both domestic and international containers between trains and trucks. Both BNSF and UPSP are investigating the building of new facilities along their main lines in the Inland Empire.
- **Expanded Air Cargo Capacity.** Every air cargo forecast indicates that LAX cannot handle the long term volume anticipated for Southern California. Los Angeles World Airways has picked a developer for a new one million square foot air cargo cross-dock for ONT. Hillwood (*a Perot Company*) intends to build a 240,000 square foot air cargo facility at San Bernardino International Airport. Southern California Logistics Airport already provides two hour turnaround for dedicated air cargo carriers. March Air Reserve Base is being developed as a joint use facility to also handle dedicated air cargo carriers.

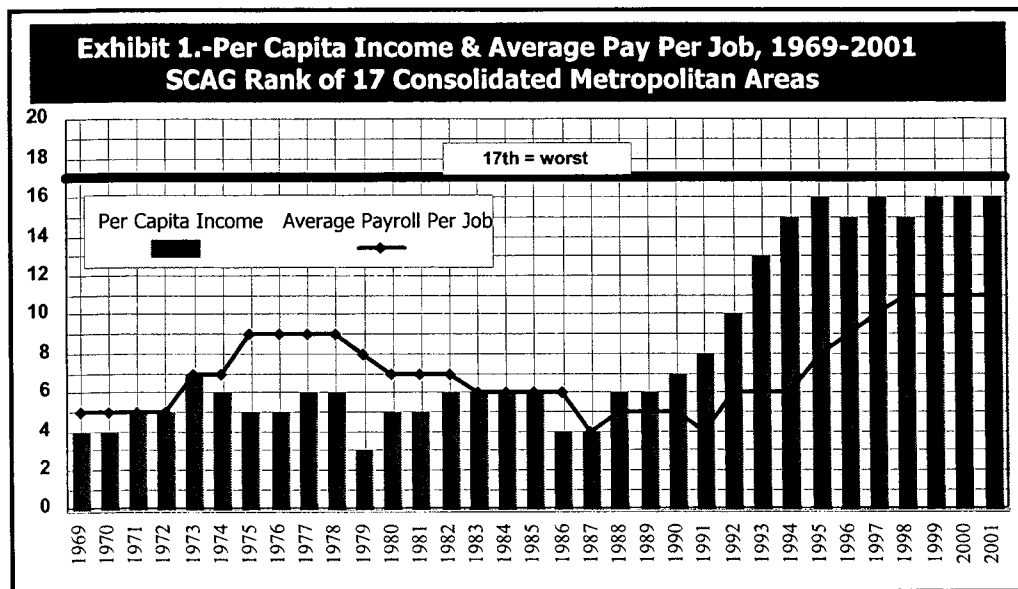
Should these strategies be brought to fruition, Southern California would benefit in several ways. During the construction phases, a very large number of blue jobs would be created. These jobs plus the strong multiplier impacts of construction spending would buoy the region's economy. Once the projects are completed, the efficiency and competitiveness of the Southland's economy would be enhanced while the most negative aspects of congestion and idling vehicles would be mitigated. Importantly, this expanded infrastructure backbone would unleash the potential strength of the logistics sectors, offering Southern California's marginally educated workers a growing path towards on-the-job learning and higher standards of living. Ultimately, these strategies thus offer the region a solution to addressing the recent declines in its relative prosperity.

# Southern California Association of Governments

## Logistics & Distribution: An Answer to Regional Upward Social Mobility

By John E. Husing, Ph.D.

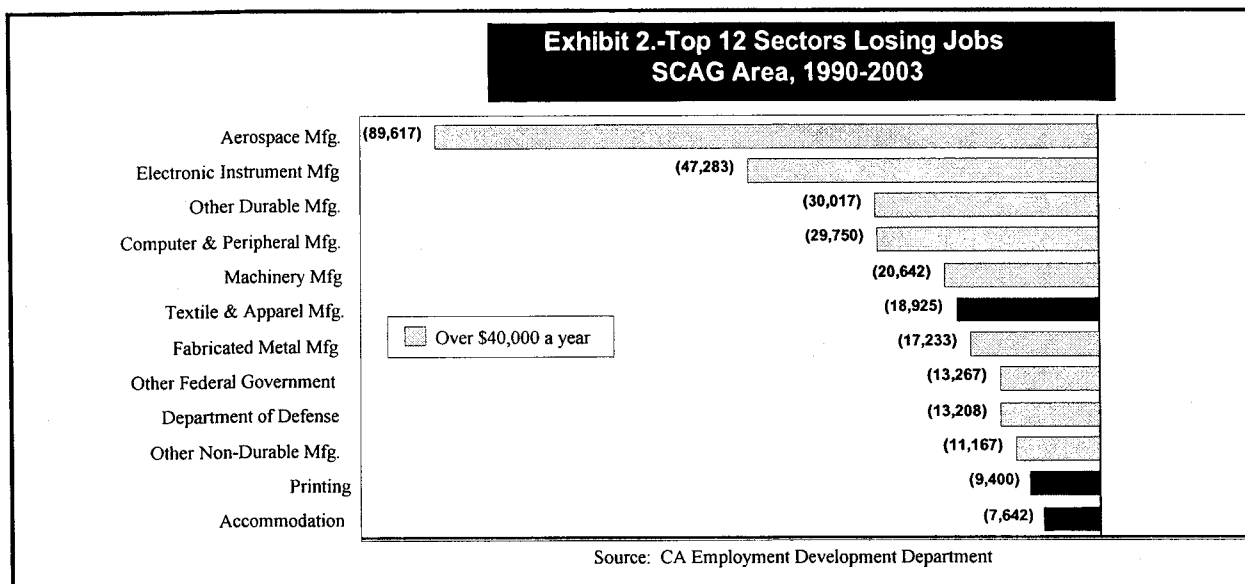
Research conducted by the Southern California Association of Governments (SCAG) has noted a disturbing trend within the five county Los Angeles, Orange, Riverside, San Bernardino, Ventura area that makes up most of its jurisdiction. The area's per capita income ranked 4<sup>th</sup> among the 17 major U.S. consolidated metropolitan statistical areas in 1987. By 2001, it had slipped to 16<sup>th</sup>. In 1991, its average payroll per job also ranked 4<sup>th</sup>. In 2001, it ranked 11<sup>th</sup> (*Exhibit 1*).



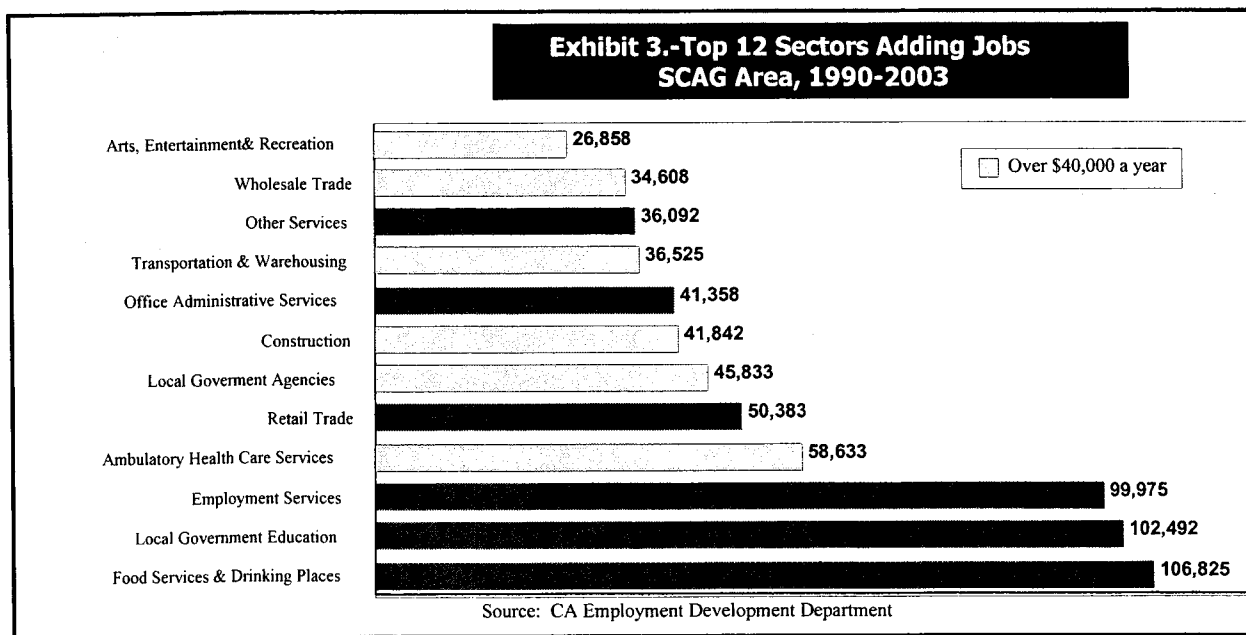
**Job Losses & Long Term Quality Deterioration.** These deteriorations began during the severe economic dislocations that accompanied Southern California's post-Cold War recession from 1990-1993. From the peak month to the trough, the region lost an annual average of 479,913 jobs in this period. Unfortunately, much of this reduction occurred in its high paying aerospace/defense manufacturing base. More threatening is the fact that from the low point in 1993 until 2003, the area has added an annual average of 988,075 jobs, a gain of 16.9%. Yet, in this the period, the SCAG area remained 16<sup>th</sup> of the 17 consolidated metropolitan areas in per capita income. Worse, this is the period when its average payroll per job deteriorated from 6<sup>th</sup> to 11<sup>th</sup>. Thus, while the region recovered from its job losses, the quality of the new positions created was no where near those that were lost. In fact, the new positions were not up to par with those being created in other major U.S. consolidated metropolitan areas.

How this occurred is seen in looking at the top 12 sectors that have shrunk from 1990-2003 versus the top 12 sectors that have expanded. The losers represented a net loss of 308,150 jobs (*Exhibit 2*). Of these, 231,000 or 75.0% were in nine sectors with 2003 average pay levels over \$40,000 (*striped bars*), including seven manufacturing sectors: aerospace, electronics, other dur-

ables, computer & peripherals, machinery, fabricated metals, other non-durables, plus the defense and non-defense federal government.

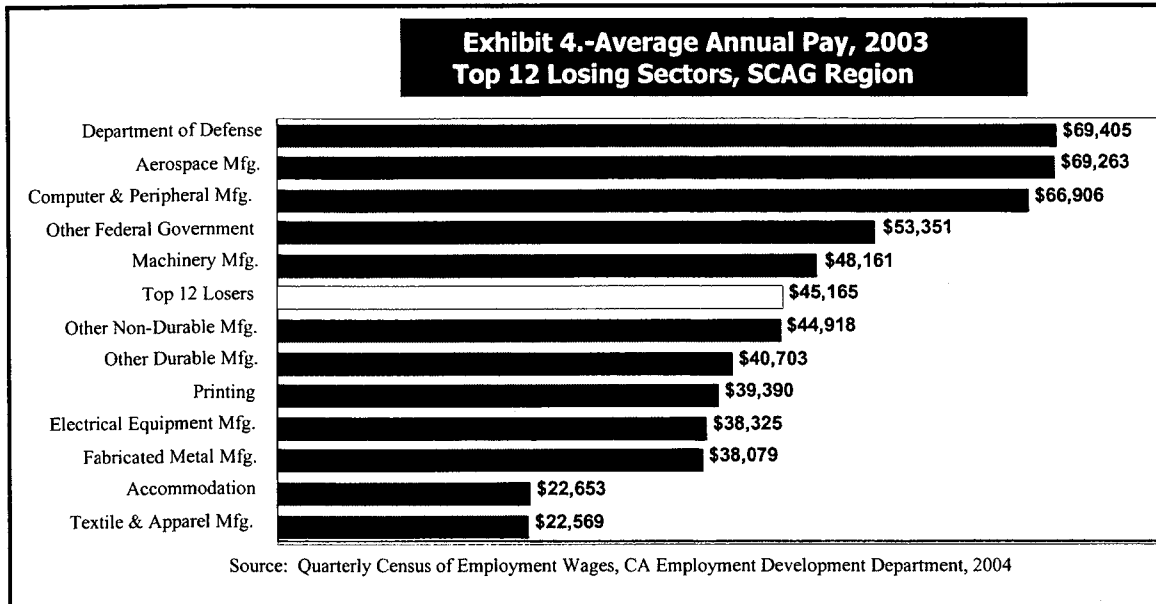


The 12 winning sectors represented a net gain of 681,425 jobs (*Exhibit 3*). Of these, 229,313 or 33.7% were in six sectors earning over \$40,000 a year in 2003 (*striped bars*) including arts, entertainment and recreation; wholesale trade; transportation and warehousing; construction; local government agencies and ambulatory health care. The other 452,108 included strong growth in food service and drinking places; employment services; and retail trade, three of the economy's lowest paying sectors.

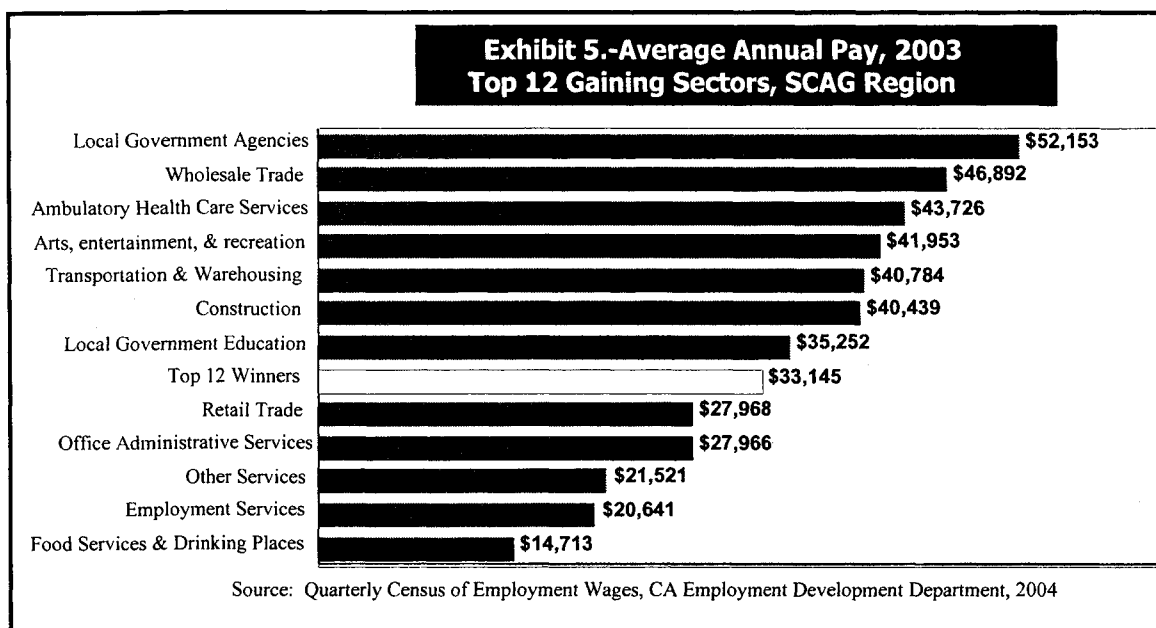


**Southern California Losing Sectors That Don't Have To Stay.** A second issue of importance in looking at the gaining and losing sectors is that most losing sectors are in fields that do not have to be in Southern California either to directly access its growing population, Hollywood or

the ports. The opposite is true for the growing sectors. In them, firms must stay in the area. Transportation and warehousing, wholesale trade and much of the employment agency activity is directly related to either international trade or serving the region's huge population. Construction and the service sectors need the area's residents. Arts, entertainment and recreation have grown because of Hollywood, theme parks and the increased local population.



**Higher Pay Scales In Shrinking Sectors.** For Southern California, the deterioration of its ranking on the basis of per capita income or pay per job is underscored in looking at the 2003 average weekly pay levels in top losing and gaining sectors. Using average annual wages and salaries in 2003, the 12 sectors losing the most jobs had a weighted average pay scale of **\$45,165**. Three sectors averaged over \$65,000: Department of Defense (\$69,405), aerospace manufacturing (\$69,263) and computers and peripheral manufacturing (\$66,906). Only two sectors averaged under \$35,000: accommodation (\$22,653) shrank due to the 9-11 effect; and textile and apparel manufacturing (\$22,569) which is moving offshore (*Exhibit 4*).



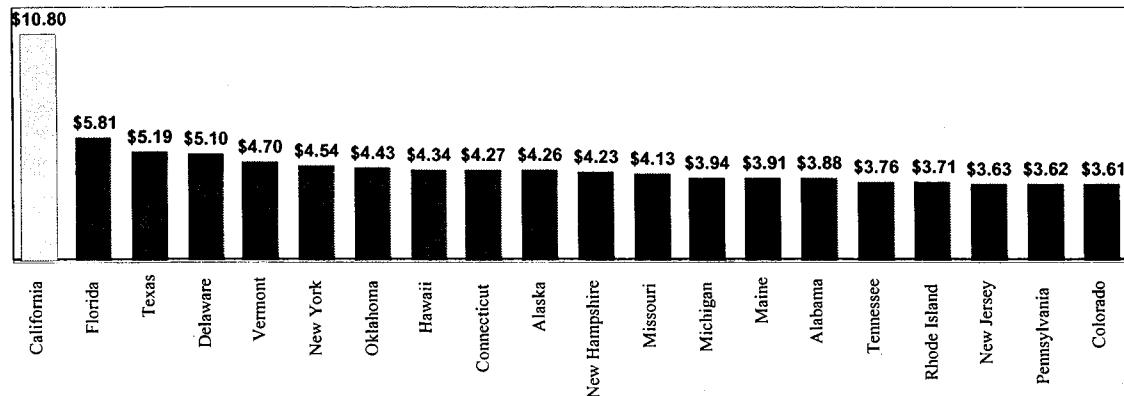
At the same time, the 12 expanding sectors had weighted average wages and salaries of just **\$33,145**. That was \$12,020 or 26.6% below the average pay level for the 12 losing sectors. No sector averaged over \$65,000. The highest was \$52,153 for local government followed by wholesale trade at \$46,892 and ambulatory health services (*doctors, dentists, labs*) at \$43,726. Five sectors earned less than \$30,000 and they included two of the three fastest growing sectors: food and drinking places (\$14,713) and employment agencies (\$20,641).

**High Cost Environment.** Why is Southern California losing high paying sectors that have a choice of where they can locate, while retaining those that need access to its growing population or coastal location? Much of the answer lies in the fact that the region is a very high cost area. Companies with the option to locate anywhere thus tend to either avoid California, put their job growth elsewhere or, in extreme cases, leave the state.

Three important cost categories highlight California's difficulties. The much publicized workers compensation insurance crisis is real. In 2003, the state's manufacturers paid an average of \$10.80 per \$100 of payroll (*Exhibit 6*). That is 85.9% higher than the \$5.81 in second placed Florida. The state's rate is 7-8 times those of such nearby competitive locations as Arizona (\$1.35), Utah (\$1.64) and Oregon (\$1.97).



**Exhibit 6.-Workers Compensation Costs By State  
Per \$100 of Manufacturing Payroll, 2003**

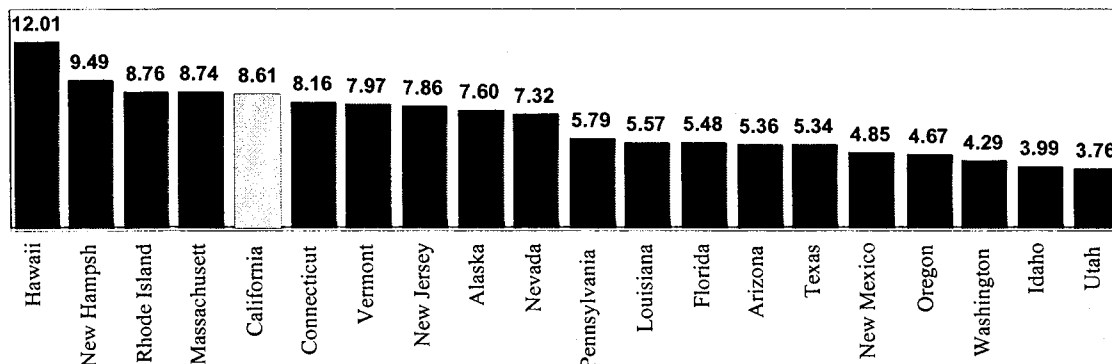


Source: Nebraska Department of Economic Development, 2004

A second issue is that of electrical costs. Since the energy crisis, California's rates have become among the most expensive in the nation. In 2003, the average price per kilowatt hour for the state's industrial users was 8.61 cents, down from 10.83 cents in 2002. However, California still ranked fifth highest behind Hawaii (12.01), New Hampshire (9.49), Rhode Island (8.76) and Massachusetts (8.74). In the western states where California must directly compete, the state's industrial rates were the highest in the region. Nevada was the next at 7.32 cents per kilowatt hour or 15.0% less. Arizona was next at 5.36 cents or 37.7% less. The least expensive power in the west was in Utah at 3.76 cents per kilowatt hour or 56.3% below California.

Another issue of concern to companies is the median price of housing in California. This is the case as it is becoming increasingly difficult for workers to afford homes in the state. In some counties, this even applies to executives, professionals and high technology specialists.

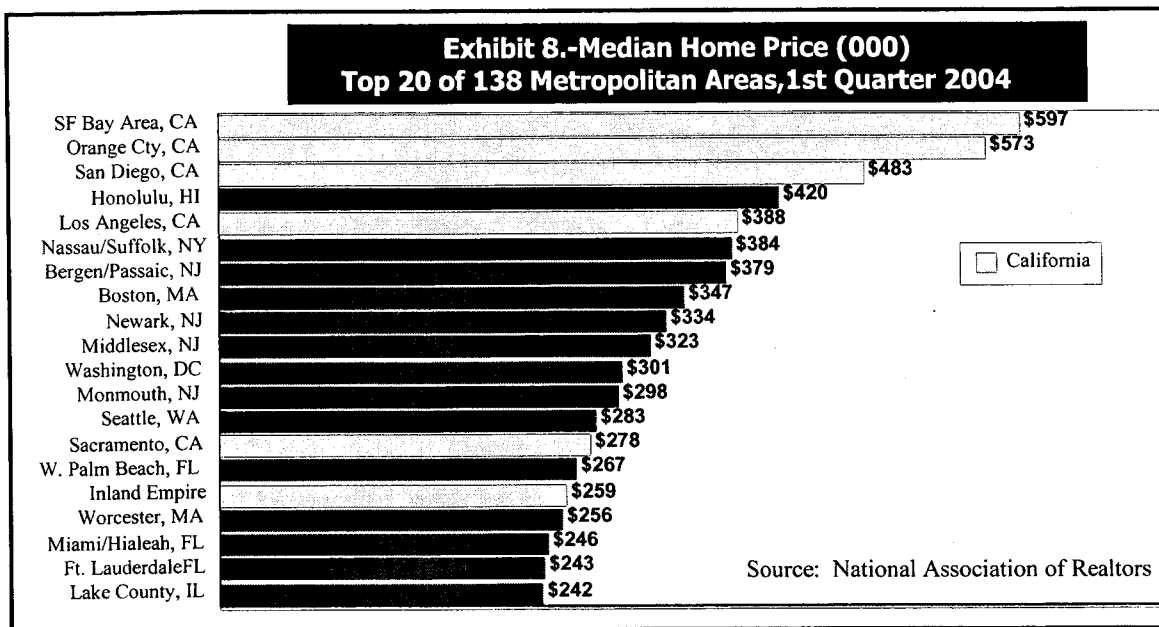
**Exhibit 7.-Electric Cost per Kilowatt/Hour  
Top 15 States & All Western States, 2003**



Source: Energy Information Administration, "Electric Power Monthly"

The problem is seen in that of the 138 metropolitan housing markets in the United States, four of the five highest median prices were in California in first quarter 2004. The top three were in the state: San Francisco Bay Area (\$597,000), Orange County (\$573,000) and San Diego County

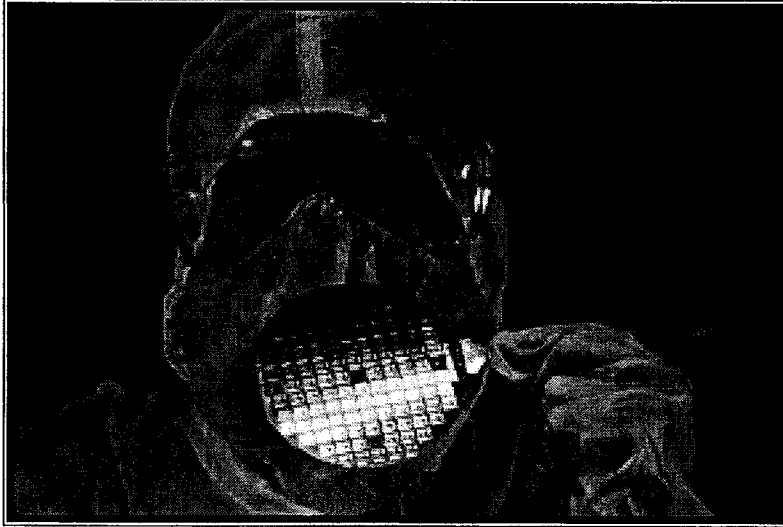
(\$483,000). Los Angeles ranked fifth (\$388,000) after Honolulu (\$420,000). Significantly, even the ostensibly “affordable” Inland Empire (\$259,000) was 16<sup>th</sup> highest of the 138 markets.



In a capitalistic economy, relative costs like these have meant that California is at a disadvantage in attempting to grow, lure or hold firms that can locate anywhere. This is particularly true in sectors where intense competitive pressures on the supply side or the cyclical performance of demand have squeezed profit margins. That has applied to the manufacturing sector in recent years. It has occurred in the technology group, first, with the dot.com bust and the lack of corporate investment, now, with the rise of low cost Asian competitors. In the early 1990's, it was definitely a factor in the demise of the state's once thriving aerospace and defense sectors.

It also means that local companies are increasingly putting their expansions outside the state. And, in the worst cases, companies have left the state. Recently, this has occurred with printing and the plastics firms both of which use a lot of electricity. It certainly applied to aerospace in the early 1990's.

While these factors have tended to stymied the sectors of California's economy in which geographic competition is important, they have had much less impact on those sectors that must locate in the midst of the state's huge and growing population, or near its ports and studios. Here, California is a bit like a monopoly. Firms that need access to these assets have no choice but to adapt to its high cost environment. They have thus propelled the state's growth. Unfortunately, the pay scales in the largest of these growing sectors have been relatively low compared to the pay scales in the largest of the shrinking sectors. This is the reason for the falling per capita income and average pay per job in the SCAG region.



**Path To Prosperity: The Entrepreneurial-Education Approach.** Historically, California has always been a high priced location. And, throughout its history, mature companies with tight profit margins have tended to flee to other locations. However, mature companies are generally not the ones that create jobs in America. That has been the role of smaller entrepreneurial firms. California has built the sixth largest economy on earth (*current exchange rates*) largely because its wide-open attitudes have drawn a population of risk takers from across the country and around the world. This has created a culture that nurtures experimentation and has proven to be a spawning ground for entrepreneurship. The companies they start have tended to ignore the state's high cost difficulties during their periods of formation and maturation.

When the state's risk taking culture is connected to the ideas and research flowing from California's extraordinarily successful higher education system and its wealth of well-educated people, the mix has created entirely new industries that have propelled its economy. This was the original genesis of its success in aeronautics, aerospace and defense. More recently, it has applied to the computer, software and bio-technical revolutions.

Today, this framework largely remains intact, though it is fraying due to the budget crisis and the cutbacks in funding for the University of California and California State University systems. There is no question that investment in these systems is among the state's most important long term economic policies. So also is investment in the K-12, regional occupational programs and community college systems since increasingly the sectors that can propel the state's economy require better educated workers at all levels of service, production and management.

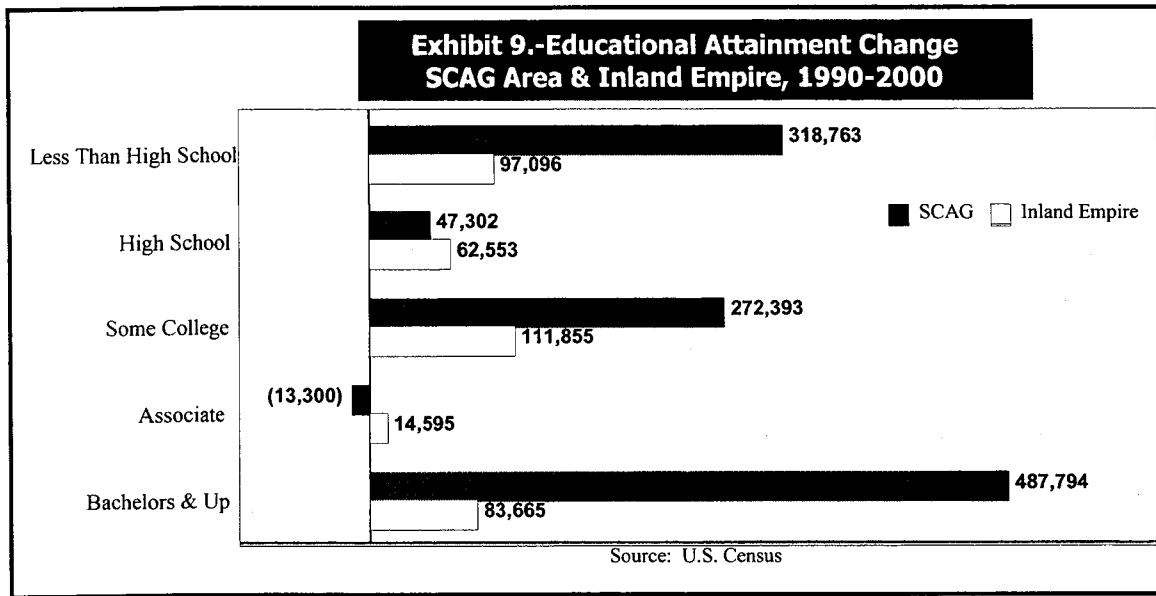
Put simply, as long as California lures entrepreneurs, nurtures ideas and produces well-educated workers, its future will be intact ... to a point.



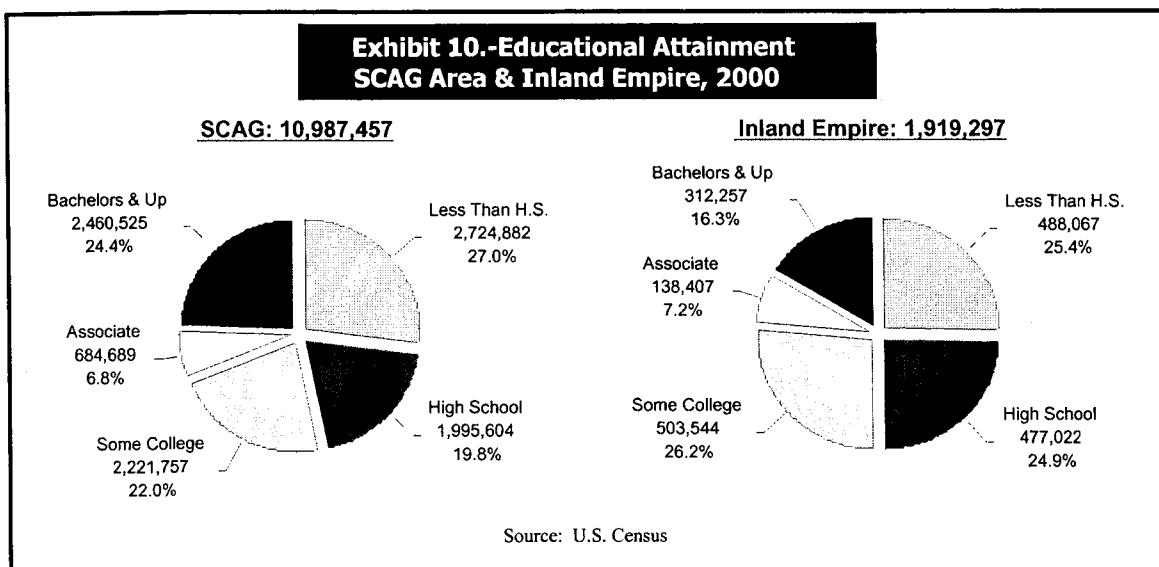
**Path To Prosperity: Challenge of the Marginally Educated.** Unfortunately, this approach to economic development will not attack a more insidious problem affecting California. That is the state's huge and rising number of poorly educated adult workers and the continuing flow of marginally educated young people into the labor force. Historically, this group has been impervious to education based strategies. Rather, they have chosen to achieve upward social mobility through work experience and on-the-job learning. This life strategy has been the most successful for workers employed in organizations with "job ladders" up which they could move over time. However, the long term demise of California's manufacturing sector has removed the principal source of such opportunities. This is the most likely reason for the decline in Southern California's per capita income and average pay per job. If another such vertically organized work environment is not created, California will likely see its economy increasingly divide into a world of well-educated haves and marginally-educated have-nots, a brutal future for the Golden State.

From 1990-2000, the dimension of the problem can be seen in the fact that of the 1,112,952 adults aged 25 and over added in the SCAG area, 318,763 were people who did not have a high school diploma (28.6% of gain). Another 47,302 people stopped their educations at high school and 272,363 had taken some college classes but not achieved an associate of arts or higher degree (28.7% of gain). Together, they represented **57.4%** of the increase in the region's population (*Exhibit 9*).

Note: The picture was more difficult in the Inland Empire, SCAG's fastest growing area,. Some 26.3% of the growth in adults was among people who had not finished high school (97,096). Another 62,553 stopped their educations with a high school diploma (16.9% of gain) while some 111,855 took college courses but did not receive a degree (30.3% of gain). Together, that represented **73.4%** of the population.



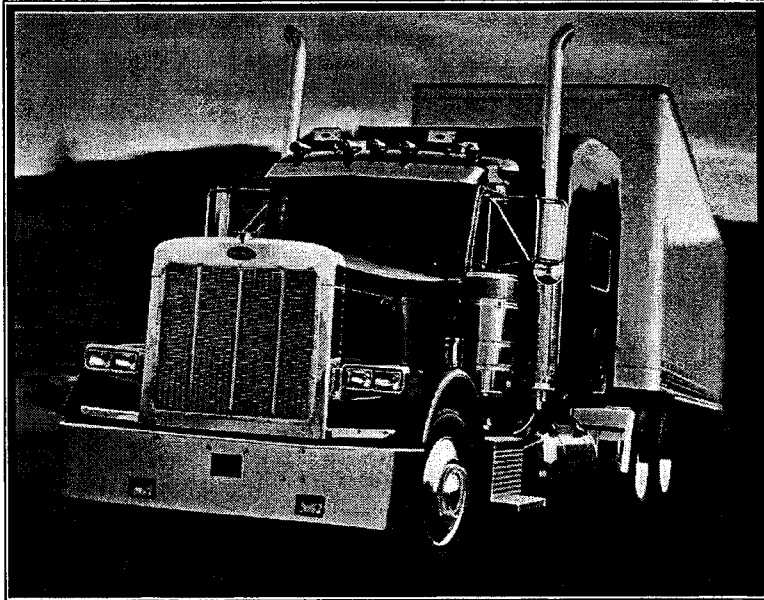
By the 2000 Census, these trends meant that there were 4.7 million adults in the SCAG area with no college experience (46.8%). Including those who tried some college classes but achieved no degree, there were 6.9 million (68.8%). In the Inland Empire, 965,089 adults had no college experience (50.3%). Adding those with some college classes but no degree took the number to 1.46 million (76.5%).



Even assuming that some college experience is sufficient education for today's job market, these data mean that nearly **one of two people** in the entire SCAG region and exactly that share in fast growing inland region **are not well prepared for the modern economy**. These are the workers in need of a workforce environment that replaces manufacturing and provides "skill ladders" up which they can move with increasing levels of experience and on-the-job learning. Unless that environment can be provided, these workers and California face a difficult future.

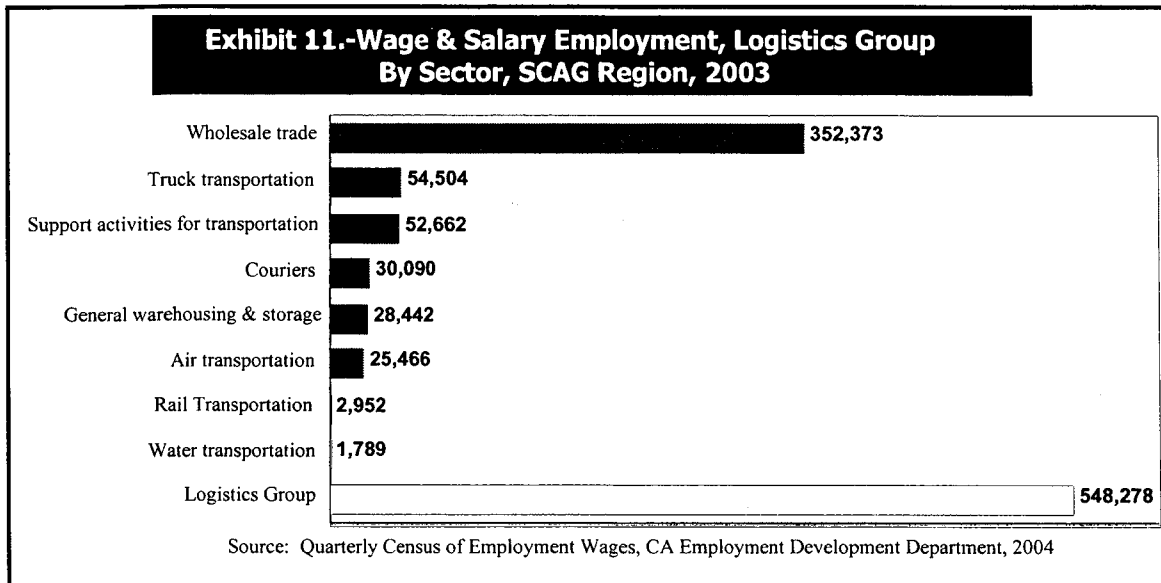
## Logistics Group

Fortunately for Southern California, the opportunity exists to encourage a group of sectors that has begun to provide large numbers of blue collar workers with access to the type of “skill ladder” circumstances that have traditionally only been found in manufacturing. This is the logistics group made up of the variety of sectors involved in receiving, processing, storing and moving goods (*Exhibit 11*). Altogether, the group included 38,706 firms in 2003 employing 548,278 workers. Their average annual wage and salary level was \$45,314. That year, they represented 9.3% of the SCAG area’s employment. This was more than construction (5.7%) but less than manufacturing (14.7%). The sectors involved include:



- **Wholesale Trade** (352,373 workers, NAICS 42). These establishments engage in buying, selling, storing and transporting goods that ultimately will be used by other firms. They may be a subsidiary of a retail or production company (e.g., *Walmart*; *Toyota Motor Parts*). They may be a dedicated third party logistics firm that contracts to handle the movement and storage of merchandise for a single company (3PL). They may be involved with the products of many companies. In Southern California, many of these operations are involved in international trade. They normally handle durable (NAICS 421) or non-durable (NAICS 422) goods from warehouses. However, merchant wholesalers (NAICS 423 & 424) generally operate from offices and do not actually manage the storage of goods.
- **Truck Transportation** (54,504 workers, NAICS 484). These firms move goods within a region or across the country. They include companies that move full container loads of merchandise (e.g., *JB Hunt Transport Inc.*, *Schneider National Inc.*). Other collect partial container loads throughout an area, move them to cross-docks where they are transferred into full containers bound for a single location (e.g., *Yellow Freight Systems*; *Roadway Express*). These containers are then either moved cross-country or to intermodal rail yards where they are transported cross-country. Once at their destination, the process is reversed.

- **Support Services For Transportation (52,662 workers, NAICS 488).** This eclectic group includes operations involved in such ancillary transportation functions as freight forwarding (*management of shipments across several modes of transportation*), the loading and unloading of ships and rail cars, motor vehicle towing, air traffic control or packaging and labeling services.
- **Non-Local Couriers (30,090 workers, NAICS 492110).** These companies generally move packages between metropolitan areas and around the world (*UPS; Federal Express*). They generally pick up packages and take them to a facility where they move “across a dock” into fully loaded rail or air cargo containers. These firms may be integrated with their own air cargo arm.



- **General Warehousing & Storage (28,442 workers, NAICS 493).** These are third party warehousing and storage operations that strictly hold general merchandise (*e.g., U.S. Logistics Corp.*), refrigerated products (*e.g., Amerigold Logistics*) or farm products (*e.g., Osram Sylvania Inc.*). This may also be the way the warehousing branch of a major retailer self-classifies an operation.
- **Air Transportation (25,466 workers, NAICS 481).** These operations include passenger airlines (*e.g., JetBlue Airways*), cargo airlines (*e.g., DHL Airways*) and companies integrating both activities (*e.g., Korean Air*). Los Angeles International Airport (*LAX*) has cross-docks that allow air cargo shipments to be assembled into air cargo containers headed for specific destinations. A similar facility is in the planning stages for Ontario International Airport (*ONT*).
- **Rail Transportation (2,952 workers, NAICS 482).** These entities move goods long distances by rail. Southern California is served by Burlington Northern Santa Fe Railway (*BNSF*) and Union Pacific Southern Pacific Railroad (*UPSP*). These firms operate inter-modal yards to which trucking firms either bring or pick-up containers moving in and out of the Southland by rail. Most of this work is outsourced to contractors who operate from within the yards.

- **Water Transportation (1,789 workers, NAICS 483).** These are the shipping lines that operate out of the ports of Los Angeles and Long Beach (e.g., *American President Lines*). Primarily, they are involved in the movement of containers between Southern California and the Far East.

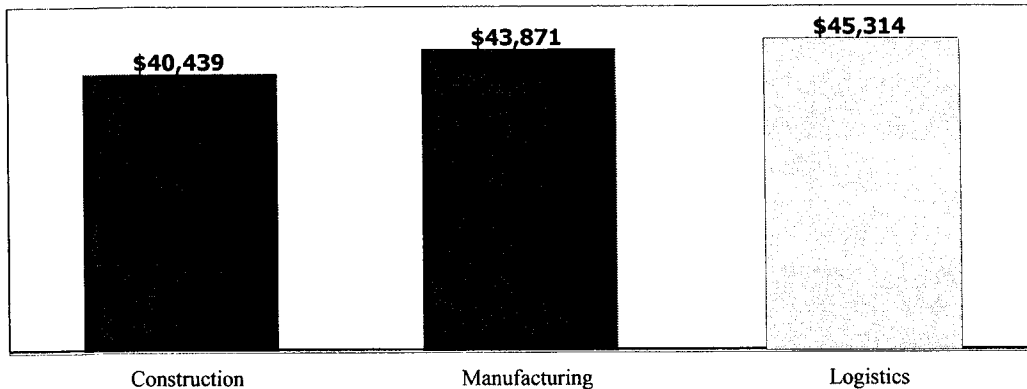
**Logistics: Strong Average Annual Pay.** Within these sectors, the average annual wage and salary levels in 2003 were relatively strong (*Exhibit 12*). The highest pay was in the rail transportation (\$55,344), air transportation (\$51,655) and support services for transportation (\$49,829) sectors. The lowest was in the couriers (\$34,049), truck transportation (\$37,449) and warehousing and storage (\$37,938) sectors. Significantly, the weighted average for the group was \$45,314.



Importantly, annual average pay within the logistics group was higher than either the construction (\$40,439) or manufacturing (\$43,871) industries. In addition, two of the three largest segments of the logistics group respectively paid more than the two other blue collar sectors: wholesale trade (\$46,892) and support activities for transportation (\$49,829).



**Exhibit 13.-Average Annual Wage & Salary  
Blue Collar Sectors, SCAG Region, 2003**



Source: Quarterly Census of Employment Wages, CA Employment Development Department, 2004

**Logistics: Defined Skill Ladders.** Within the sub-sectors that make up the logistics group, there are a wide variety of opportunities for workers to increase their incomes with job experience and on-the-job learning. Below four sub-sectors are used to illustrate this point (*Exhibit 14*): trucking/couriers; freight arranging; wholesale furniture and wholesale chemicals. They were chosen as they are representative of the types of firms within the logistics group. In each case, eight levels of training and/or experience are shown plus the number of occupational types, amount of employment and share of jobs in the category. In addition, the average pay for all occupations in the range is given plus the pay for the highest and lowest paying occupations.

**Exhibit 14.-Skill & Pay Ranges, Four Sample Logistics Sectors, 2003**

| Trucking & Couriers                          | Job Types | Jobs           | Share         | Low Pay  | Avg. Annual Pay | High Pay  |
|--|-----------|----------------|---------------|----------|-----------------|-----------|
| Work Experience, Plus a Bachelor's or Higher | 10        | 7,000          | 3.9%          | \$57,541 | \$98,297        | \$159,003 |
| Bachelor's Degree                            | 7         | 1,100          | 0.6%          | \$48,454 | \$59,214        | \$63,133  |
| Work Experience                              | 8         | 6,100          | 3.4%          | \$34,807 | \$51,182        | \$83,440  |
| Associate Degree                             | 0         | NA             | NA            | NA       | NA              | NA        |
| Post-Secondary Vocational Education          | 4         | 1,800          | 1.0%          | \$25,796 | \$34,142        | \$40,398  |
| Long-Term On-the-Job Training                | 7         | 6,500          | 3.6%          | \$34,080 | \$39,381        | \$69,104  |
| Moderate-Term On-the-Job Training            | 9         | 15,600         | 8.7%          | \$26,427 | \$34,804        | \$54,771  |
| Short-Term On-the-Job Training               | 38        | 140,700        | 78.7%         | \$16,785 | \$31,012        | \$39,035  |
| <b>Total</b>                                 | <b>83</b> | <b>178,800</b> | <b>100.0%</b> |          |                 |           |
| Freight Arranging                            | Job Types | Jobs           | Share         | Low Pay  | Avg. Annual Pay | High Pay  |
| Work Experience, Plus a Bachelor's or Higher | 9         | 5,000          | 13.6%         | \$57,541 | \$99,626        | \$159,003 |
| Bachelor's Degree                            | 10        | 2,100          | 5.7%          | \$48,454 | \$64,291        | \$86,346  |
| Work Experience                              | 5         | 1,100          | 3.0%          | \$39,169 | \$54,425        | \$83,440  |
| Associate Degree                             |           | NA             | NA            | NA       | NA              | NA        |
| Post-Secondary Vocational Education          | 3         | 1,300          | 3.5%          | \$25,796 | \$35,687        | \$40,398  |
| Long-Term On-the-Job Training                | 5         | 700            | 1.9%          | \$34,080 | \$43,152        | \$69,104  |
| Moderate-Term On-the-Job Training            | 4         | 6,100          | 16.5%         | \$33,230 | \$41,612        | \$48,468  |
| Short-Term On-the-Job Training               | 17        | 20,600         | 55.8%         | \$21,732 | \$30,515        | \$37,128  |
| <b>Total</b>                                 | <b>53</b> | <b>36,900</b>  | <b>100.0%</b> |          |                 |           |
| Wholesale Furniture                          | Job Types | Jobs           | Share         | Low Pay  | Avg. Annual Pay | High Pay  |
| Work Experience, Plus a Bachelor's or Higher | 8         | 2,700          | 8.2%          | \$57,541 | \$100,837       | \$159,003 |
| Bachelor's Degree                            | 8         | 1,500          | 4.6%          | \$26,841 | \$51,038        | \$63,133  |
| Work Experience                              | 6         | 1,700          | 5.2%          | \$20,865 | \$42,215        | \$83,440  |
| Associate Degree                             |           | NA             | NA            | NA       | NA              | NA        |
| Post-Secondary Vocational Education          | 2         | 800            | 2.4%          | \$31,679 | \$38,218        | \$40,398  |

|  |                  |               |               |                |                        |                 |
|--|------------------|---------------|---------------|----------------|------------------------|-----------------|
| Long-Term On-the-Job Training                | 8                | 1,900         | 5.8%          | \$19,325       | \$40,093               | \$69,104        |
| Moderate-Term On-the-Job Training            | 8                | 6,900         | 21.0%         | \$17,699       | \$43,610               | \$54,745        |
| Short-Term On-the-Job Training               | 21               | 17,400        | 52.9%         | \$18,699       | \$25,066               | \$39,035        |
| <b>Total</b>                                 | <b>61</b>        | <b>32,900</b> | <b>100.0%</b> |                |                        |                 |
| <b>Wholesale Chemical</b>                    | <b>Job Types</b> | <b>Jobs</b>   | <b>Share</b>  | <b>Low Pay</b> | <b>Avg. Annual Pay</b> | <b>High Pay</b> |
| Work Experience, Plus a Bachelor's or Higher | 5                | 1,500         | 8.3%          | \$57,541       | \$105,921              | \$159,003       |
| Bachelor's Degree                            | 6                | 800           | 4.4%          | \$48,454       | \$59,082               | \$80,737        |
| Work Experience                              | 5                | 800           | 4.4%          | \$29,188       | \$46,632               | \$56,871        |
| Associate Degree                             | 2                | 300           | 1.7%          | \$38,165       | \$41,706               | \$48,789        |
| Post-Secondary Vocational Education          | 2                | 400           | 2.2%          | \$31,679       | \$36,039               | \$40,398        |
| Long-Term On-the-Job Training                | 3                | 1,000         | 5.6%          | \$34,080       | \$51,715               | \$69,104        |
| Moderate-Term On-the-Job Training            | 8                | 6,100         | 33.9%         | \$22,396       | \$51,015               | \$74,041        |
| Short-Term On-the-Job Training               | 16               | 7,100         | 39.4%         | \$18,699       | \$26,962               | \$39,035        |
| <b>Total</b>                                 | <b>47</b>        | <b>18,000</b> | <b>100.0%</b> |                |                        |                 |

Source: CA Employment Development Department, CA Staffing Patterns by Sectors, CA Occupational Employment Statistics, 2003

For workers with limited educations, there are several significant facts shown by these data:

- **Most Jobs Require Experience Not Schooling.** The vast majority of jobs require short, moderate or long term on-the-job learn, not degrees. This means the logistics group provides upwardly mobile opportunities to the large and growing number of marginally educated workers in Southern California. Among the four sectors studied, the shares of jobs in these categories were: trucking & couriers (91.1%); freight arranging (74.3%); wholesale furniture (79.6%); wholesale chemical (78.9%).
- **No Minimum Wage Work.** In each case, the occupations that required the lowest level of experience or training (*short term on-the-job training*) offer entry level workers relatively low pay levels, but in no case are they minimum wage jobs:
  - trucking & couriers paid \$16,785 (\$8.07 an hour)
  - freight arranging paid \$21,732 (\$10.45 an hour)
  - wholesale furniture paid \$18,699 (\$8.99 an hour)
  - wholesale chemical \$18,699 (\$8.99 an hour)
- **Proceeding Up Skill Ladder To Average Pay Levels Yields Healthy Incomes.** When workers stick with firms in these sectors, they can proceed up to average pay levels that are relatively strong, even if they never get out of the lowest category of work. Thus, the average lowest grade annual pay levels are:
  - trucking & couriers paid \$31,012 (\$14.91 an hour)
  - freight arranging paid \$30,515 (\$14.67 an hour)
  - wholesale furniture paid \$25,066 (\$12.05 an hour)
  - wholesale chemical paid \$26,962 (\$12.96 an hour)
- **Longer Experience Gives Higher Incomes.** For workers with ambition, the positions in for the *moderate* and *long* term, on-the-job training offers higher average pay levels:
  - trucking & couriers go up to averages of \$34,804 (*moderate*) and \$39,381 (*long*)
  - freight arranging goes up to averages of \$41,612 (*moderate*) and \$43,152 (*long*)
  - wholesale furniture goes up to averages of \$43,610 (*moderate*) and \$40,093 (*long*)

- wholesale chemical reaches averages of \$51,015 (*moderate*) and \$51,715 (*long*)

**Logistics: Information Technology Reason For High Pay Scales.** It has been common wisdom that the warehousing and distribution sector is one that does not pay well. Certainly, this was true in earlier times when the sector was labor intensive and used a minimum of capital equipment. As the data show, this is no longer valid. The shift has occurred because of the advent of “just-in-time” inventory control systems in the nation’s manufacturers and retailers and the adoption of robotics and information technology by the logistics industry. The result is a logistics group that has become one of the most capital and information intensive parts of the U.S. economy. As often happens, worker pay has risen with efficiency.

An examination of how the logistics now operates shows how it has been affected by technology:

- In 2004, most of the goods and parts used by retailers and manufacturers are bar coded. When they are sold or used, laser scanners tell corporate computers that these items have left inventory. These systems are programmed to only order new supplies after inventories have reached pre-determined low levels. This “just-in-time” process lowers the risks of firms buying items they will never use. It also reduces their costs since at any given time less inventory is being held and financed.
- At the other end of the ordering process, logistics firms usually receive their orders through the internet or e-mail connections. They also provide systems that allow their customers to track the location of their merchandise. The office staffs of logistics companies must therefore be computer literate.
- Once received, orders are normally transmitted to the warehouse floor via computer terminals. Floor supervisors must therefore be computer savvy. Since modern warehouses range up to 1.3 million square feet of space (*30 acres*), supervisors often maintain contact with their staffs by a personal digital assistant, technology that warehouse workers must master. The orders to pick-up merchandise ultimately are put into a paper format including bar codes that the staff must attach to the merchandise.

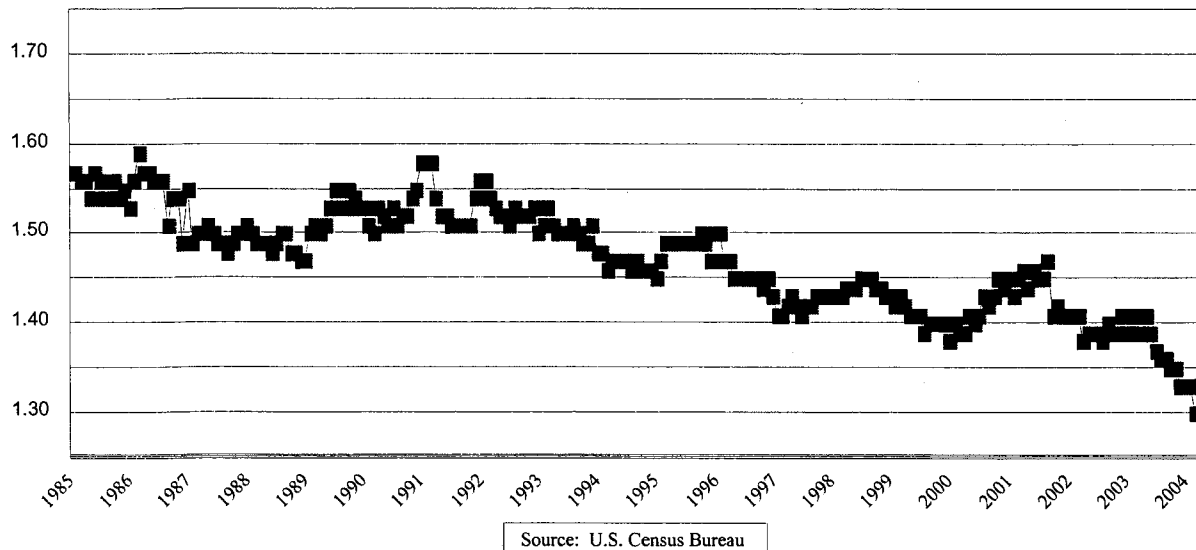


- Most of the staff in today's modern warehouses move merchandise from storage racks on to conveyor belts using fork lifts capable of reaching up to 40-foot heights. In the process, bar codes are placed on to the orders so that laser scanners can route them along the conveyors to the appropriate shipping bays. In the most sophisticated warehouses, robotic equipment is now performing these "picking" tasks.
- When shipments are placed into containers, global positioning satellite (*GPS*) chips are often attached to them so that they can be tracked around the world. When shipments are packed loosely into trucks, the vehicles themselves are often equipped with this technology. The companies thus need their staffs be trained in using this tracking software.
- As drivers move shipments, they maintain frequent communicate with their offices using web-based systems in the cabs of their trucks. Those drivers making numerous deliveries likely have a GPS system on board to help them follow routes that minimize travel time and distance. Again, the staff must be trained in the use of these systems. In addition, the routes they travel have been planned by office workers who must be knowledgeable in the use of geographic information systems software (*GIS*).
- With more and more merchandise entering Southern California's warehouses from Asia, product quality has become an supply chain management issue. As a result, firms are hiring an increasing number of workers to open shipments and randomly test whether they meet product quality standards. This requires workers able to use a variety of sophisticated measuring tools.
- A growing number of firms are including manufacturing or assembly operations within their warehousing facilities. This is adding to the types of jobs available within them.

It is this information and capital intensive world that has allowed the nation's goods to flow at the speed that they do now. The sector's pay scales have risen as a result.

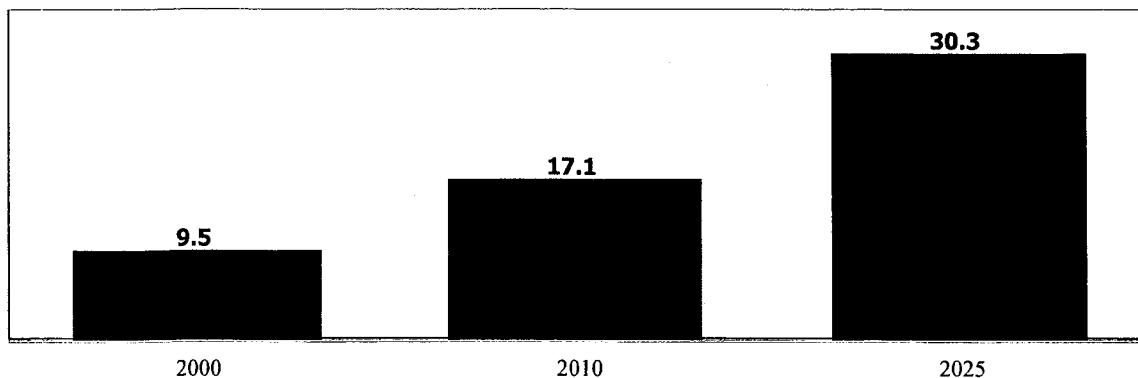
**Logistics: Powerful Long Term Potential In Southern California.** Meanwhile, the growth of employment in the logistics sector should not be a short term phenomenon. Earlier, it was shown that the logistics group was among the few non-population related parts of Southern California's economy to provide significant job growth from 1990-1993. Thus, wholesale trade plus transportation/warehousing added 71,133 jobs in this period (*Exhibit 3 earlier*). In the recovery phase from 1993-2003, they were responsible for 95,133 new jobs. This occurred as trade with Asia soared and just-in-time systems caused the level of inventory held by U.S. companies per dollar of sales fall to the lowest level in U.S. history (*Exhibit 15*). At the same time, just-in-time systems have led to the creation of a series of large goods holding and processing areas in the United States. Given the importance of Asian trade, Southern California is one of these centers.

**Exhibit 15.-U.S. Inventory to Sales Ratio, 1985-2003**



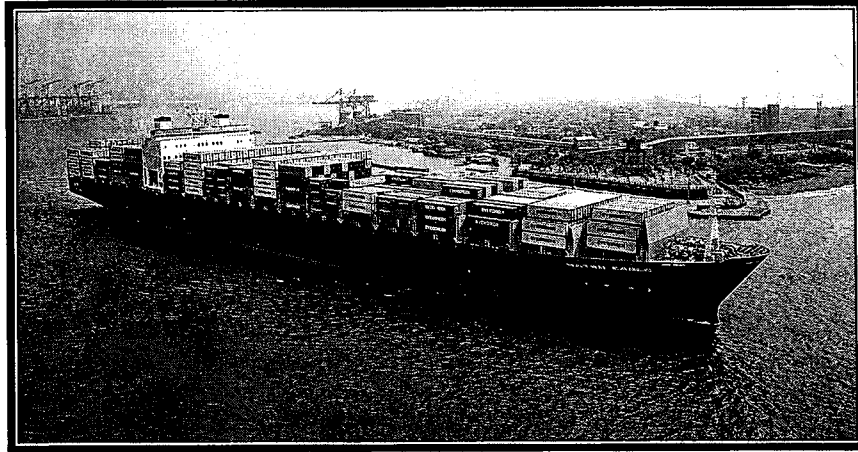
- International Trade.** Looking ahead, it is clear that the volume of international trade expected to arrive in Southern California will continue to set all time records. The Chinese economy is expected to continue its rapid growth with India joining it. The Japanese appear to be emerging from its long period of economic malaise. Smaller Asian countries like Korea, Malaysia and Singapore are again surging. At the same time, the technology of sea borne containerized traffic is changing with the advent of huge “post-Panamax” super-cargo ships. These container ships are too wide to go through the Panama Canal. They require so much water depth that the only West Coast ports from Alaska to Chile able to handle them are Los Angeles and Long Beach and Seattle-Tacoma harbors.

**Exhibit 16.-Ports of Los Angeles & Long Beach Containerized Cargo, 2000-2025 (millions of TEUs)**

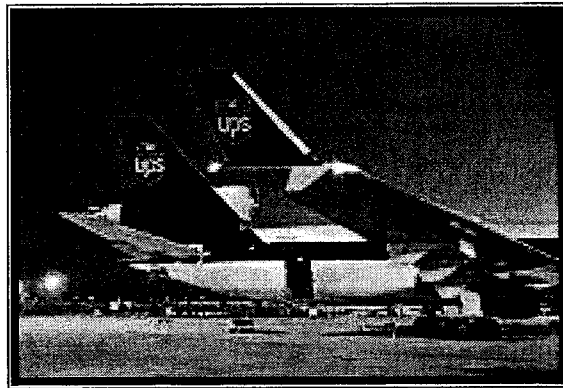


TEU = 20 foot equivalent units  
Source: Alameda Corridor-East Trade Corridor, 2001

Combined, these two developments have led SCAG to forecast that from 2000-2010 the number of standardized cargo containers (*TEU=twenty-foot equivalent units*) moving through Southern California's ports will rise from 9.5 million in 2000 to 17.1 million in 2010, a gain of 80.6% (*Exhibit 16*). By 2025, the volume is anticipated to reach 30.3 million containers, more than triple the 2000 level. This will put an incredible strain on the companies, workers and infrastructure that must off-load, move, unload, store and distribute this cargo. Commensurate with this growth, the amount of employment supplied by firms in the largely blue collar logistics sector must rise dramatically.

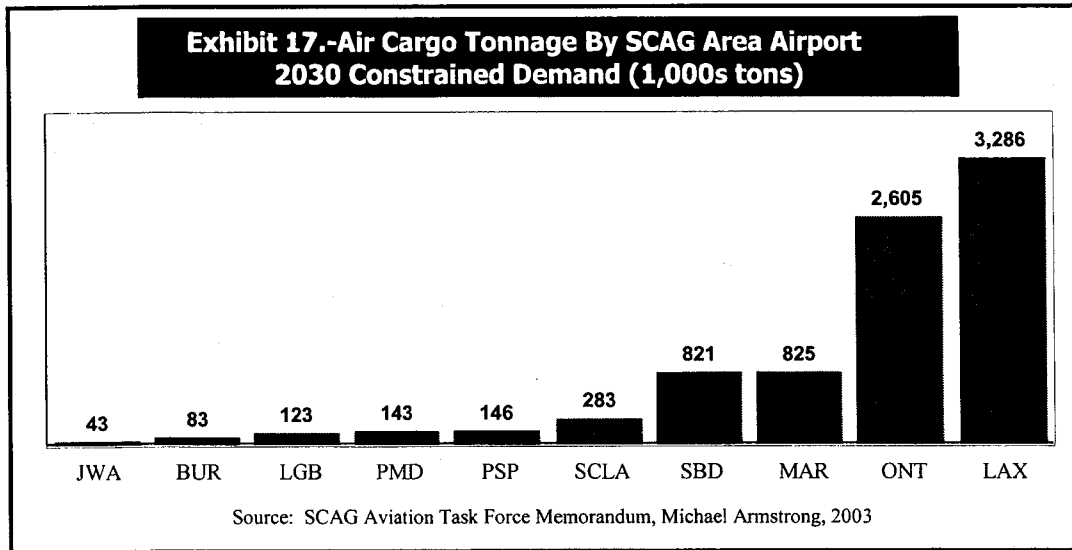


- **E-Commerce.** Another aspect of the logistics sector's growth is the increasing importance of e-commerce. In 2001, Forester Research, a specialist in technology issues, indicated that on-line sales represented \$51.3 billion or 2.4% of the \$2,160 billion in U.S. retail sales. In 2002, this jumped by 41% to \$72.1 billion. That represented 3.2% of the nation's \$2,250 billion in total retail trade. Initially, many e-commerce firms failed because they could not reliably get products to their customers. Today, the key to success is their ability to deliver goods through efficient supply chain management systems. That is virtually the same challenge faced by wholesalers delivering inventories to businesses using just-in-time inventory systems though these firms have the added complexity of needing to reach nearly every home in America, if not much of the world.



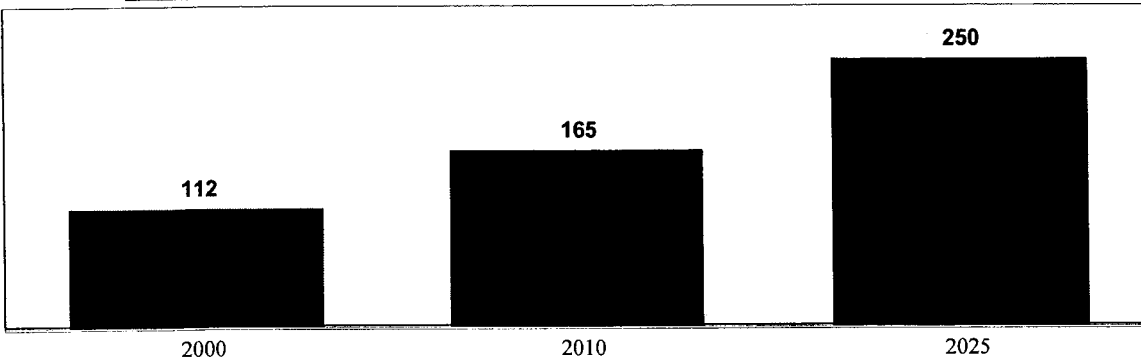
Given the level of international trade and entrepreneurship in Southern California, the provision of logistics for e-commerce firms is an important aspect of the area's warehousing sector and one that will grow along with this accelerating phenomena. Its im-

portance can be implied from the region's air cargo figures. In 2002, Federal Express (525,078 tons) and UPS (383,078 tons) represented 37.1% of all air freight moving through LAX and ONT. An increasing share of this activity was undoubtedly related to e-commerce.



- Air Cargo.** Certainly, the growth of all forms of air cargo is another aspect of the anticipated increase in Southern California's logistics sector. In 2002, this activity totaled 2.6 million tons. By 2030, SCAG forecasts that this will more than triple to 8.4 million tons. This will occur because of the need for very high speed delivery among small, high value items like computer parts and pharmaceuticals. There will thus be an enormous expansion in the air cargo moving through Southland's airports. Here, it is interesting to note that in 2002, LAX handled 1.9 million tons of air cargo or 71% of the region's total. In 2030, the spread of logistics activities will see it handling 3.3 million tons or only 39% of the region's total (*Exhibit 17*).
- Railroads.** Another sign of the enormous strength of Southern California's logistics sector is the growth of railroad activity. In 2000, an average of 112 freight trains per day left the Los Angeles area to move through Orange County and the Inland Empire before moving on to points east. By 2010, SCAG forecasts that this will rise to 165 a day, an increase of 47.3%. By 2025, the level is expected to have more than doubled to 250, an increase of 123.2% (*Exhibit 18*). To handle this volume, there will have to be a significant increase in the amount of track available to UPSP and BNSF railroads. Importantly, this forecast does not include allowance for shuttle trains moving unsorted containers between the harbors and the inland area (*see below*).

**Exhibit 18.-Los Angeles-Inland Empire Railroad Forecast  
Average Daily Freight Trains, 2000-2025**

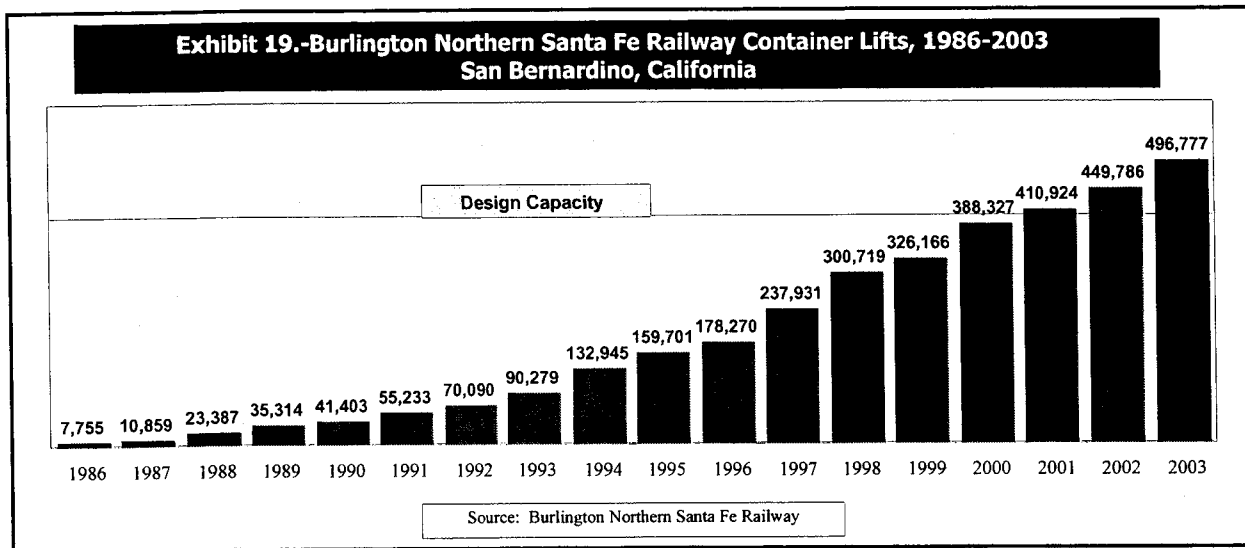


Sources: Orange County Gateway Study, 1999; Alameda Corridor-East Trade Corridor Study, 2001

Another aspect of the railroad business is the growth that has occurred in the volume of intermodal lifts at the region's rail yards. These are the facilities where containers are transferred by trains and trucks. Perhaps the most telling example of how aggressive the volume of cargo being handled in Southern California has become is what has occurred at BNSF's expanded intermodal facility in San Bernardino. When this expansion opened in 1996 with 178,270 containers lifts, the railroad indicated that it expected the yard to reach its 400,000 lift design capacity in 2006. In fact, volume surpassed that level in 2001 even though the facility handles no international freight (*Exhibit 19*).

Looking ahead, BNSF and UPSP indicate that they will need at least one new intermodal yard a piece to keep up with the expanded volume of containers they anticipate handling in the near future. In addition, with international trade at the ports growing dramatically, it is clear that the speed at which containers need to be moved to processing centers must accelerate. The Alameda Corridor will help. However, the intermodal yards in Commerce-Vernon are too cramped to keep up. This means that unsorted, loaded containers will need to be shipped inland by rail for processing. This will require yet another intermodal facility, one located in the Inland Empire and dedicated to handling this aspect of international trade. It would have the added benefit of removing trucks from the freeways between Los Angeles County and the Inland Empire since that is how many of the containers containing goods bound for storage in the inland region are currently moved.





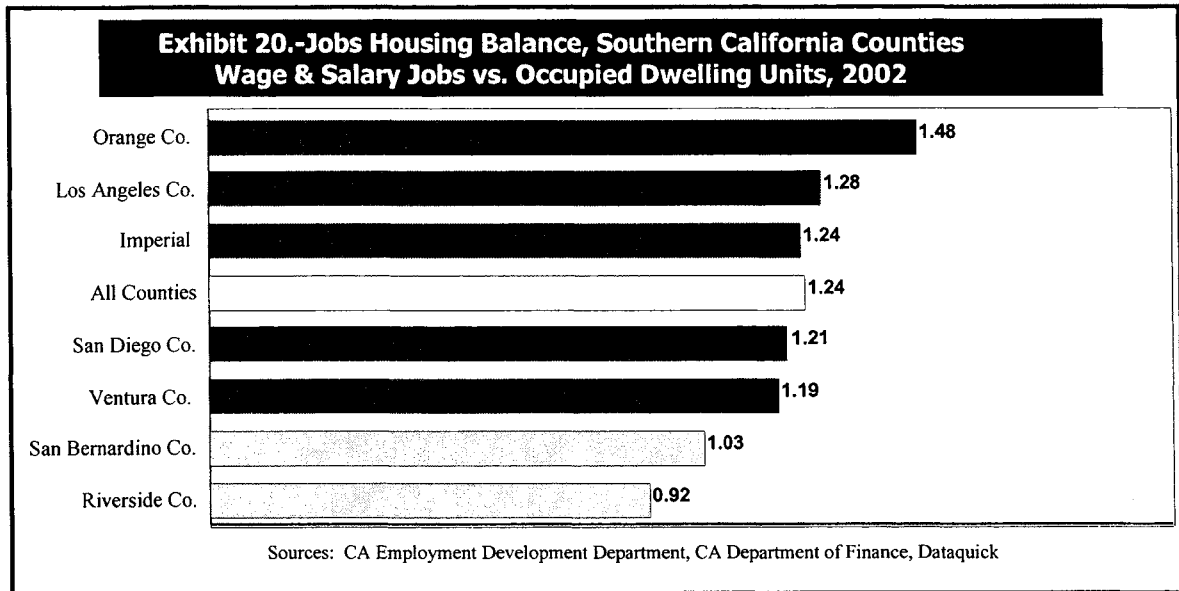
**Logistics: Significant Issues.** Like any major change in the economy, the growth of the logistics industry will bring significant long term issues:

- Land Hog.** Logistics facilities require massive amounts of land. This is the case as the technology involved in the efficient movement of massive amounts of cargo through the ports, intermodal rail yards and warehouses require very big facilities. For the ports, it means obtaining huge cranes and finding the space to temporarily hold very large numbers of containers before they can be shipped away. For the railroads, it means building several large new intermodal facilities for processing containers between trains and trucks. For the warehouses, it means finding room for the gigantic facilities implied by their technologies. For instance, today's largest warehouses run to 1.3 million square feet of floor space with 40-foot ceilings. That means 60 acres of land, assuming 50% coverage. Meanwhile, in recent years, the average logistics facility has created one new job for every 2,200 square feet of space. That is more than twice the ratio of one job per 1,000 square feet in manufacturing and seven times the one job per 300 square feet in office.
- Inland Locations.** Within in Southern California, a significant percentage of the new logistics facilities will have to be located in the Inland Empire. This is the case because much of the region's available unused industrially zoned land is located in the inland area. Even there, the recent industrial "hot zone" from Rancho Cucamonga to Corona, west of the I-15 freeway, is running out of space. This means a huge share of the facilities will have to be built from Fontana to Banning along the I-10 freeway, in the Moreno Valley-Perris area along the I-215 freeway or in the Victor Valley area of the High Desert along the I-15 freeway. Other areas with space include the Santa Clarita and Lancaster/Palmdale portions of Los Angeles County

Building major logistics facilities in the Inland Empire will have the advantage of putting companies that pay relatively well and have defined skill ladders in the Southern California area that has the largest share of marginally educated workers (*Exhibits 9-10 earlier*). It is also the place with an average of 1.04 ratio of wage and salary jobs per occupied dwelling. That is far below the 1.24 average for Southern California and indicates that

large numbers of commuters must daily drive from the area to jobs in coastal counties (*Exhibit 20*).

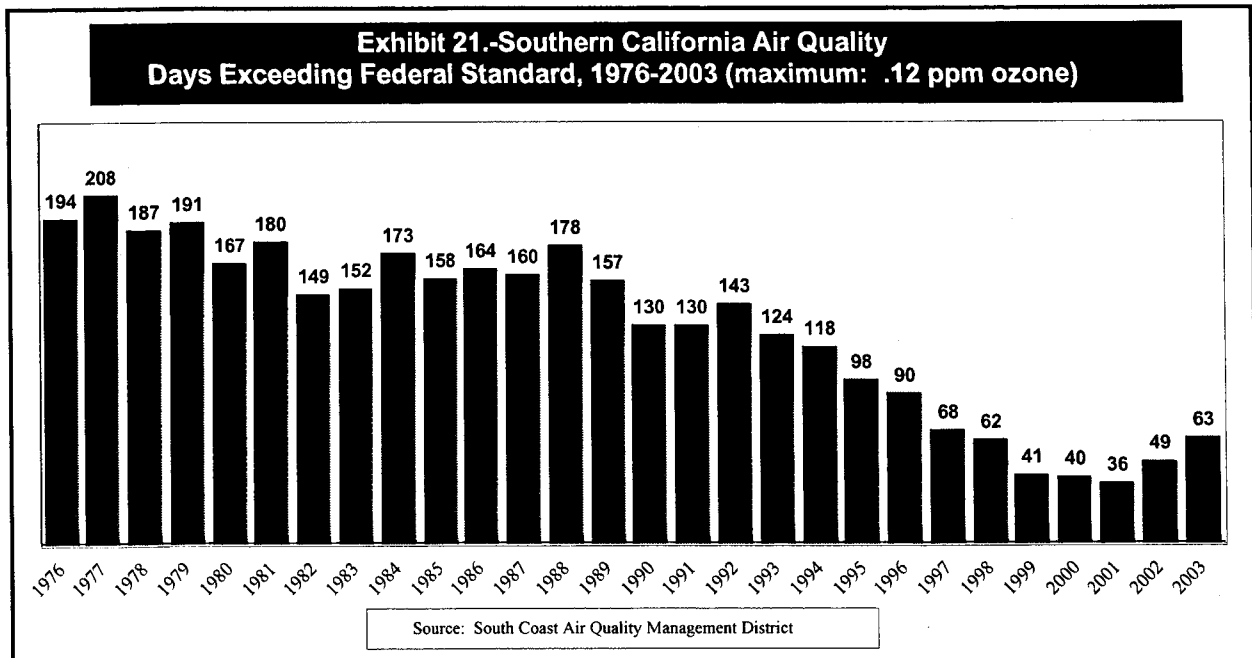
On the other hand, locating these facilities in the Inland Empire will mean that a good deal of its available land will be absorbed by giant facilities with a relatively low number of jobs per acre. It also means the area will host at least two additional intermodal rail facilities, one for BNSF and one for UPSP.



- Truck Traffic & Freeway Financing.** The rapid growth of the logistics sector means that the number of trip miles driven by 18-wheel trucks along Southern California's already overcrowded freeways and arterial roads will increase dramatically. Given the lack of right of ways as well as the lack of funding for transportation facilities, the dramatically increased truck volume will help to slow the region's transportation system to a crawl. This difficulty will particularly impact the inland region since that is where much of the future growth of the logistics sector will have to be concentrated.
- Rail Traffic & Financing.** Forecasts made for SCAG indicate that the dramatic growth expected in the number of trains running daily along the tracks of UPSP and BNSF railroads mean that in about 2012, Southern California's rail system will reach capacity. The only way that the railroads will be able to expand is if either their corporate owners or the federal government fund a significant increase in track capacity.

However, even if that funding is found, it is a fact that most of the arterial roads that cross railroad tracks in the San Gabriel Valley, Orange County and the Inland Empire do so at-grade. As a result, the increase in rail volume will essentially cut the cities located along these tracks in half. Currently, there is no source of funds in place to build grade separations and alleviate this problem.
- Air Quality & Diesel.** In recent years, Southern California has managed to significantly lower the number of days in which it is not in compliance with the federal air quality ozone standard of 0.12 parts per million (*Exhibit 21*). However, recently the

trend has begun to move back up. One of the primary uncontrolled source of emissions are the fumes from diesel engines. As the logistics industry increases in importance, the contribution to this problem by trucks, trains and ships will likely grow.



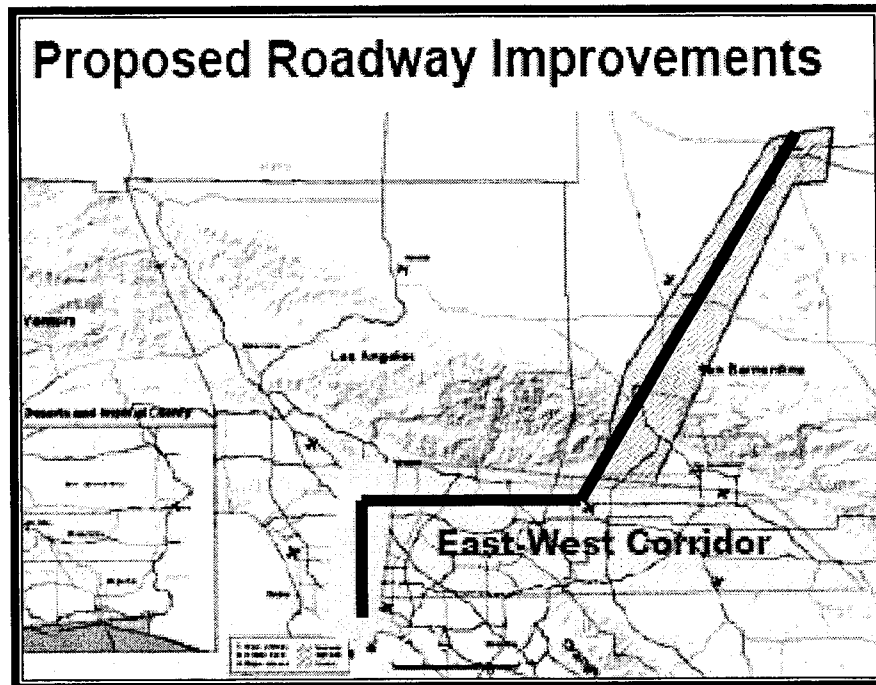
- **Shuttle Trains & Financing.** A special rail difficulty is the issue of using shuttle trains to move full international container shipments from the ports of Los Angeles and Long Beach to an inland intermodal facility for processing. In particular, this would be used for merchandise that is bound for inland warehouses. These trains would have the advantage of freeing space and capacity in the ports and the nearby intermodal yards. As indicated earlier, it would also help remove truck traffic that is currently moving this merchandise from Los Angeles County to the Inland Empire.

However, a location needs to be identified for yet another intermodal rail yard in the inland area. In addition, track capacity and grade separations are already issues for the railroads and this would add to their difficulties. Importantly, the railroad indicate that the handling cost of loading and unloading containers is such that it is not profitable for them to process shipments unless they are moving beyond the Rocky Mountains. If a shuttle train is to be a success, a cash flow would have to be found to change these economics.

**Logistics: Strategies For Success.** Southern California's leaders have begun developing a variety of strategies that would allow policy makers to encourage the logistics group while mitigating the worst of its difficulties. This is important given the ability of firms in these sectors to provide a growing base of good paying jobs in the skill ladder environment needed by the area's numerous marginally educated workers. Successful implementation would allow the region to begin dealing with its loss of standing on the basis of both per capita income and payroll per job:

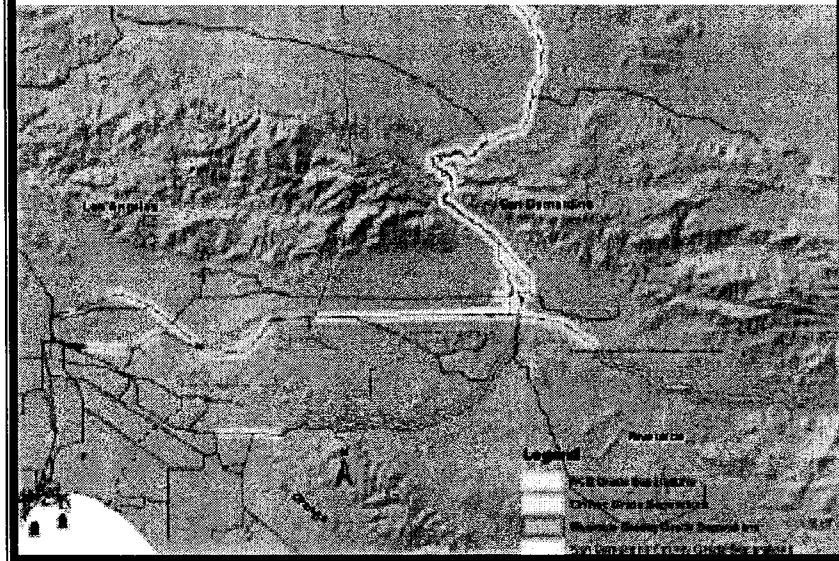
- **Operation Jump-Start.** Several of the problems facing the growth of the logistics group flow from the lack of funding for the transportation infrastructure needed to

both permit the sector to grow and to offset the congestion that its growth implies. Here, SCAG's Operation Jump-Start outlines a route for dealing with these issues. It represents a strategy for providing transportation companies with benefits that will increase the speed and lower the cost of moving goods in exchange for them providing a cash flow to privately finance key parts of Southern California's infrastructure:



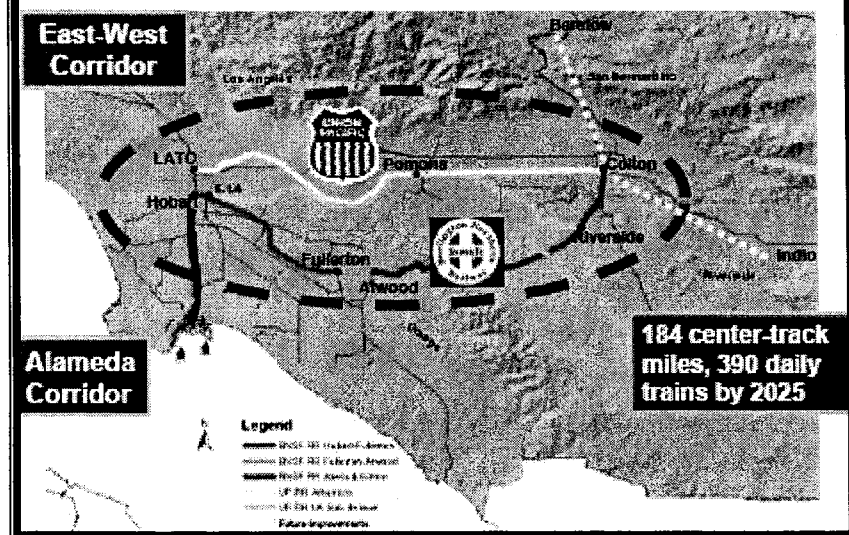
- **Dedicated Truck Lanes.** To decrease congestion, increase safety and lower the amount of pollution from idling trucks, dedicated truck lanes would be added to the I-15 freeway from the Victor Valley to the SR-60 in Ontario, along the SR-60 from there to the I-710 and along the I-710 to the harbors. The 141.8 miles of additional lanes would be financed with a truck toll of \$0.56 per mile to cover construction and maintenance. The \$16.5 billion raised would finance the project through tax exempt bonds. Heavy trucks isolated from competition with other vehicles would allowing triple trailering to be an option.
- **Expanded Railroad Track & Grade Separations.** To expand the capacity of the rail system, additional tracks would be laid on the UPSP and BNSF routes from Los Angeles through the San Gabriel Valley, Orange County and urbanized Inland Empire. In addition, grade separations would be built along the major arterials along this route to eliminate delays on surface streets and the noise of whistling trains. These projects would be funded by a \$5.39 fee per container that would cover the \$1.2 billion cost of building the additional rail capacity and \$2.2 billion cost of overpasses and underpasses across the tracks. Tax exempt finance would be authorized to undertake these efforts.

## Grade Separations



Together, these projects would ensure that international cargo could move through the Inland Empire at high speed without all of the delays and vehicle traffic disruptions inherent in the current over-burdened system.

## Rail Capacity Improvements



- **High Speed Maglev System.** While not directly related to the movement of goods, SCAG's strategy also provides for a \$6.2 billion privately funded high-speed Maglev train system to initially connect LAX to ONT. Ultimately the system would bind together the main population centers in Southern California. It would benefit the logistics sectors by decreasing the amount of automobile traffic and increasing the efficiency of Southern California's transportation system.

- **Shuttle Trains-Inland Port.** Currently, international cargo that is bound for warehouses in Southern California is off-loaded near downtown Los Angeles. Much of it is hauled by truck along the SR-60 and I-10 freeways to the growing base of warehouses in the Inland Empire. The Alameda Corridor Transit Authority has begun investigating the feasibility of an “inland port” (*intermodal rail yard for international cargo*) in either the Devore, Victor Valley or San Geronio Pass areas of the inland area to speed the flow of this merchandise while removing it from these congested freeway corridors. Their strategy would require the building of the expanded rail capacity outlined with Operation Jump-Start as shuttle trains would be used to move the cargo to this new facility. The current difficulty with this approach is finding a financing source for the added cost of handling these containers.
- **Additional Intermodal Rail Yards.** As with other aspects of Southern California’s goods handling infrastructure, the region’s intermodal rail yards near downtown Los Angeles and in San Bernardino are reaching their absolute capacity. This is leading to time delays in moving both domestic and international containers between trains and trucks. Both BNSF and UPSP are investigating the building of new facilities. Due to its large swaths of land along the main lines of both companies, the Inland Empire would be the location of these yards. The locations under consideration are in the city of San Bernardino, near Southern California Logistics Airport in Victorville and in San Geronio Pass.
- **Expanded Air Cargo Capacity.** Every forecast of air cargo usage indicates that LAX cannot begin to handle the long term volume anticipated for Southern California. With the demise of the El Toro airport proposal, most of the region’s additional capacity is being developed in the Inland Empire. Los Angeles World Airways has just picked a developer for a one million square foot air cargo cross-dock facility for ONT. Hillwood (*a Perot Company*) is working with the Inland Valley Development Agency to build a 240,000 square foot air cargo facility at San Bernardino International Airport (*former Norton Air Force Base*). Southern California Logistics Airport (*former George Air Force Base*) already provides two hour turnaround time for dedicated air cargo carriers. March Air Reserve Base is being developed as a joint use facility that will also handle dedicated air cargo carriers.

Should these strategies be brought to fruition, Southern California would benefit in several ways. During the construction phases, a very large number of blue jobs would be created. These jobs plus the strong multiplier impacts of construction spending would buoy the region’s economy. Once the projects are completed, the efficiency and competitiveness of the Southland’s economy would be enhanced while the most negative aspects of congestion and idling vehicles would be mitigated. Importantly, this expanded infrastructure backbone would unleash the potential strength of the logistics sectors, offering Southern California’s marginally educated workers a growing path towards on-the-job learning and higher standards of living. Ultimately, these strategies thus offer the region a way to address the recent declines in its relative prosperity.

## Summary

In the late 1950's, President Dwight Eisenhower recognized the close connection between transportation infrastructure, economic efficiency and the standard of living. He therefore launched the building of the Interstate Freeway. It is hard to imagine the performance of today's U.S. economy had that conservative President not convinced the Congress to move forward with the investment in this extraordinary system. In the 1960's, Governor Pat Brown saw the connection between infrastructure and economic growth and undertook the building of the California State Water Project. Again, it is hard to imagine the performance of California's economy had that moderate Governor not made the investment in this mammoth project.

In the 2000's, Southern California faces infrastructure challenges that rival those efforts. If the area's economic power is to be unleashed, its economy must be freed of the constraints imposed by lack of truck, rail and airport infrastructure. Investment in these projects would have the beneficial effect of allowing the region's logistics sector to accelerate, providing a growing base of good paying jobs which its marginally educated workers can learn via on-the-job experience and learning. This would appear to be the only route that the region has available to helping those workers achieve growing standards of living while simultaneously correcting the recent deep slide in Southern California's relative prosperity vis-à-vis other major parts of the country. Importantly, it would do so while helping to mitigate the environmental difficulties caused by the inevitable increase in truck and rail traffic congestion and idling diesel engines.

# MEMO

**To:** Community, Economic, and Human Development Committee  
**From:** Lynn Harris, Manager, Community Development Division, (213) 236-1875, harris@scag.ca.gov  
**Date:** September 2, 2004  
**RE:** Community Development Overall Work Program for Fiscal Year 2004-05

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**RECOMMENDATION:** Information Only

**SUMMARY:** Lynn Harris will review the annual work program for the Community Development Division.

**BACKGROUND:** On an annual basis, the Community Development Division reviews its Overall Work Program with CEHD Committee. Highlights for the 2004-2005 fiscal year include:

- Growth Vision Implementation
- Preparation of a Draft Regional Comprehensive Plan
- Preliminary preparations for the 2007 Regional Transportation Plan forecast
- Two conferences (Economic Forecast Conference, Housing Summit)

**ATTACHMENTS:**

Work Program Items 05-035, 05-050, 05-055



**Manager:** Harris

| <b>Fund Source Budget</b>                | <b>TOTAL</b>   | <b>SCAG</b>    | <b>SCAG<br/>Consultant</b> | <b>Subregion</b> | <b>Subregion<br/>Consultant</b> |
|--|----------------|----------------|----------------------------|------------------|---------------------------------|
| FHWA Planning                            | 625,583        | 625,583        | 0                          | 0                | 0                               |
| FTA 5303                                 | 0              | 0              | 0                          | 0                | 0                               |
| FHWA SP&R                                | 0              | 0              | 0                          | 0                | 0                               |
| 5313 (b)                                 | 0              | 0              | 0                          | 0                | 0                               |
| Federal - Other                          | 0              | 0              | 0                          | 0                | 0                               |
| TDA                                      | 0              | 0              | 0                          | 0                | 0                               |
| State - Other                            | 0              | 0              | 0                          | 0                | 0                               |
| Cash Match                               | 0              | 0              | 0                          | 0                | 0                               |
| 3rd Party Commitments (In-Kind Services) | 81,051         | 81,051         | 0                          | 0                | 0                               |
| Local - Other                            | 0              | 0              | 0                          | 0                | 0                               |
| <b>Total(s)</b>                          | <b>706,634</b> | <b>706,634</b> | <b>0</b>                   | <b>0</b>         | <b>0</b>                        |

| <b>Funds Application</b>                 | <b>TOTAL</b>   | <b>SCAG</b>    | <b>SCAG<br/>Consultant</b> | <b>Subregion</b> | <b>Subregion<br/>Consultant</b> |
|--|----------------|----------------|----------------------------|------------------|---------------------------------|
| Salaries & Fringe Benefits               | 296,162        | 296,162        | 0                          | 0                | 0                               |
| Temporary Employees                      | 0              | 0              | 0                          | 0                | 0                               |
| Indirect costs                           | 329,421        | 329,421        | 0                          | 0                | 0                               |
| Printing                                 | 0              | 0              | 0                          | 0                | 0                               |
| Travel                                   | 0              | 0              | 0                          | 0                | 0                               |
| SCAG Consultant                          | 0              | 0              | 0                          | 0                | 0                               |
| Subregion                                | 0              | 0              | 0                          | 0                | 0                               |
| Subregion Consultant                     | 0              | 0              | 0                          | 0                | 0                               |
| Other Direct Costs                       | 0              | 0              | 0                          | 0                | 0                               |
| 3rd Party Commitments (In-Kind Services) | 81,051         | 81,051         | 0                          | 0                | 0                               |
| <b>Total(s)</b>                          | <b>706,634</b> | <b>706,634</b> | <b>0</b>                   | <b>0</b>         | <b>0</b>                        |

**Program Objective:**

The purpose of the Regional Comprehensive Plan is to implement and promote policy objectives of the Regional Council, fulfill the new organizational Strategic Plan, and serve to assist outside parties in working within regional plans. As such, the Regional Comprehensive Plan utilizes SCAG's other, on-going planning efforts, notably, the Regional Transportation Plan (RTP) along with the RTP Program Environmental Impact Report (PEIR), Regional Transportation Improvement Plan, and Southern California COMPASS. The RCP serves to consolidate and translate those efforts to promote external, independent action. The RCP is also the primary tool for implementing mitigation measures identified in the RRP PEIR. The RCP effort for 04-05 will produce a draft plan; subsequent public process and adoption of final plan is anticipated for FY 05-06.

**Program Accomplishments:**

There was no Regional Comprehensive Plan activity in FY03-04. The last update of the plan (then called the Regional Comprehensive Plan and Guide) was in 1996. At that time, a guide was prepared and published with chapters for each of several specific planning topics including transportation, housing, energy, and the environment. In the interim, periodic chapter updates have been prepared, including the Energy chapter in FY 2000 and the Economy Chapter in FY 2002. During FY 03-04, the Regional Council, at the recommendation of the Strategic Plan Task Force, directed the preparation of a new RCP.

**05-035.SCGS1      Regional Comprehensive Plan and Guide Staff**

**Manager:** Harris

|  |
|--|
| <b>Budget \$706,634</b>                              |
| <b>Funds Source</b>                                  |
| <b>FHWA Planning: \$625,583</b>                      |
| <b>3<sup>rd</sup> Party:                \$81,051</b> |

**Steps:**

1. SCAG will review existing plans and programs, including but not limited to the 2004 RTP, COMPASS, the RTP PEIR, RTIP, and Legislative Program in order to create a comprehensive list of agency policies and implementation measures. This list will be widely circulated for comment and to ensure completeness. SCAG, at the request of the Regional Council, may also create new policies for the purpose of inclusion in the RCP. (July 2004 - Sept. 2004)
2. Based upon the list of policies and measures, SCAG will prepare an outline framework for the RCP, including chapter organization around logical groupings of issues. The outline will be circulated for comment. (July 2004 - Oct. 2004)
3. SCAG intends to involve outside entities, particularly local governments, transportation commissions, and special purpose government authorities to participate in the preparation of the RCP. As such, SCAG will design a process to communicate between and among stakeholders regarding goals, emphasis and usability for the plan. This will likely take the form of a working group or task force, but may include other efforts such as web-based outreach. (July 2004 - June 2005)
4. SCAG staff will conduct research and prepare plan chapters, each of which will contain the following sections:  
General discussion and existing conditions  
SCAG policies, programs and measures  
Responsiveness to Growth Vision principles  
Recommended actions/menu of options for outside parties. (July 2004 - June 2005)
5. SCAG will circulate a draft among the Regional Council, policy committees, stakeholders and the public in order to begin consideration on adoption (anticipated for FY 05-06). June 2005
6. Provide coordination and oversight for environmental review process. (March 2005 – June 2005)

**Products:**

- Consolidated list of policy and program objectives, implementation measures. (Sept. 2004) (PEA:1,2,3,4,5; PF: 1,2,3,4,5,6,7)
- Plan Outline. (Oct.2004) (PEA:1,2,3,4,5; PF: 1,2,3,4,5,6,7)
- Draft Environmental Review Report. (June 2005) (PEA:1,2,3,4,5; PF: 1,2,3,4,5,6,7)
- Participation and outreach record. (June 2005) (PEA:1,2,3,4,5; PF: 1,2,3,4,5,6,7)
- Draft Regional Comprehensive Plan. (June 2005) (PEA:1,2,3,4,5; PF: 1,2,3,4,5,6,7)

**Planning Emphasis Areas Addressed (PEA): 1,2,3,4,5**

**Planning Factors Addressed (PF):** 1,2,3,4,5,6,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Number:** New Project

**Manager:** Harris

| <b>Fund Source Budget</b>                | <b>TOTAL</b>       | <b>SCAG</b>      | <b>SCAG<br/>Consultant</b> | <b>Subregion</b> | <b>Subregion<br/>Consultant</b> |
|--|--------------------|------------------|----------------------------|------------------|---------------------------------|
| FHWA Planning                            | 1,208,401          | 1,208,401        | 0                          | 0                | 0                               |
| FTA 5303                                 | 772,321            | 0                | 265,590                    | 408,201          | 98,530                          |
| FHWA SP&R                                | 0                  | 0                | 0                          | 0                | 0                               |
| 5313 (b)                                 | 0                  | 0                | 0                          | 0                | 0                               |
| Federal - Other                          | 0                  | 0                | 0                          | 0                | 0                               |
| TDA                                      | 34,410             | 0                | 34,410                     | 0                | 0                               |
| State - Other                            | 0                  | 0                | 0                          | 0                | 0                               |
| Cash Match                               | 29,375             | 0                | 0                          | 28,079 C03       | 1,296 C04                       |
| 3rd Party Commitments (In-Kind Services) | 192,842            | 156,562          | 0                          | 24,810           | 11,470                          |
| Local - Other                            | 0                  | 0                | 0                          | 0                | 0                               |
| <b>Total(s)</b>                          | <b>2,237,349</b>   | <b>1,364,963</b> | <b>300,000</b>             | <b>461,090</b>   | <b>111,296</b>                  |
| C03                                      | GATEWAY/WRCOG/CVAG |                  |                            |                  |                                 |
| C04                                      | CVAG               |                  |                            |                  |                                 |

| <b>Funds Application</b>                 | <b>TOTAL</b>     | <b>SCAG</b>      | <b>SCAG<br/>Consultant</b> | <b>Subregion</b> | <b>Subregion<br/>Consultant</b> |
|--|------------------|------------------|----------------------------|------------------|---------------------------------|
| Salaries & Fringe Benefits               | 572,078          | 572,078          | 0                          | 0                | 0                               |
| Temporary Employees                      | 0                | 0                | 0                          | 0                | 0                               |
| Indirect costs                           | 636,323          | 636,323          | 0                          | 0                | 0                               |
| Printing                                 | 0                | 0                | 0                          | 0                | 0                               |
| Travel                                   | 0                | 0                | 0                          | 0                | 0                               |
| SCAG Consultant                          | 300,000          | 0                | 300,000                    | 0                | 0                               |
| Subregion                                | 436,280          | 0                | 0                          | 436,280          | 0                               |
| Subregion Consultant                     | 99,826           | 0                | 0                          | 0                | 99,826                          |
| Other Direct Costs                       | 0                | 0                | 0                          | 0                | 0                               |
| 3rd Party Commitments (In-Kind Services) | 192,842          | 156,562          | 0                          | 24,810           | 11,470                          |
| <b>Total(s)</b>                          | <b>2,237,349</b> | <b>1,364,963</b> | <b>300,000</b>             | <b>461,090</b>   | <b>111,296</b>                  |

**Program Objectives:**

The primary goals of the program are the implementation of the Regional Growth Vision included in the Regional Transportation Plan (RTP) adopted in April 2004. The implementation of the growth vision entails a collaborative strategy developed with all of our partners, including County Transportation Commissions (CTCs), subregions, counties, cities, and other stakeholders. The Growth Visioning Implementation Program will be designed for both short-term and long-term in the first part of the fiscal year. Implementation will continue over this and subsequent OWP cycles. The goals of the Growth Planning Implementation program include ensuring that the measures are in place to realize the regional land use assumptions adopted in the 2004 Regional Transportation Plan (RTP) for 2010 and beyond and developing a monitoring program to objectively measure our progress.

The OWP is organized by planning issue areas, and is consistent with agency reorganization to promote efficiency of effort. Portions of this WBS are continuations of effort from other areas in past OWPs. Revisions to the Draft OWP in past accomplishments, step descriptions, and product descriptions will provide additional clarity. This work is Phase 1 of the Growth Vision implementation effort. All phases of the earlier effort (Growth Vision Development) are complete.

**Program Accomplishments:**

The single most important accomplishment was instituting and gaining consensus around a growth vision as a preferred Regional Transportation Plan (RTP) alternative in the 2004 RTP. The adoption of a final Compass Growth Vision report and evaluation, development of a privately financed economic strategy and updated forecasts of population, households and employment supported this achievement.

In FY03-04, the Growth Visioning program focused on public outreach and public input leading to the development and evaluation of numerous growth alternatives, one of which was selected and adopted as the preferred growth strategy for the SCAG region in the 2004 RTP. Several key milestones in producing a consensus growth vision were met. SCAG hosted 13 public Growth Visioning workshops throughout the region. The staff developed and analyzed numerous growth-forecast alternatives. A methodology and criteria for testing and evaluating alternatives were developed. Staff developed and analyzed the 2004 RTP Preferred Plan Alternative and hosted a series of 11 subregional review sessions to determine feasibility of and refine the Regional Growth Vision. SCAG adopted the Regional Growth Vision and finalized a Regional Growth Vision report. This report's Executive Summary was distributed to nearly 5000 regional agencies and stakeholders. The Compass team hosted a series of policy forums to develop the framework for FY04-05 OWP Growth Visioning Implementation program. Additional outreach accomplishments included the development and maintenance of the Compass, Livable Places and Housing Southern Californians websites.

**05-050.SCGS1**

**Growth Visioning Staff**

**Manager:** Harris

**Budget \$1,364,963**

**Funds Source**

**FHWA Planning: \$1,208,401**

**3<sup>rd</sup> Party: \$156,562**

**Steps:**

1. Engage a Compass resource team in a multi-jurisdictional communications effort. The team will make itself available to sub-regions, counties and cities. It will solicit web-based feedback, and target stakeholder groups for outreach. The Compass team will also identify and define measures, benchmarks or indicators that objectively evaluate implementation progress. (July 2004 - Jan. 2005)
2. Develop a Growth Visioning Implementation and Monitoring program (as Phase 3 of the Growth Visioning effort started in 2000); include subregions in defining roles, expectations and responsibilities for the short and long term RTP Vision implementation. This program puts forth short- and long-term strategies for all stakeholders. The program purpose is to ensure that measures are in place to realize the regional land use assumptions adopted in the 2004 Regional Transportation Plan (RTP) for 2010 and beyond. (July 2004 – June 2005)
3. Work with the County Transportation Commissions (CTCs) to promote adoption of integrated land use/transportation criteria and transportation incentive awards to local governments for projects that meet regional growth visioning goals, by participating on committees as invited, and through 1:1 meetings with staff and CTC boards. (July 2004 - June 2005)
4. Consult and coordinate with other California Metropolitan Planning Organizations (MPOs) which are also integrating land use and transportation strategies to develop a cohesive statewide approach to achieve federal acceptance of these measures in crediting progress toward air quality conformity, and meeting mobility goals. (July 2004 - June 2005)

**Products:**

- A Policy Paper calling for a cohesive statewide approach and strategy for California MPOs to better integrate land use and transportation efforts and decision-making at local, state and federal levels (Jan. 2005) (PEA: 2,3,4,5; PF: 4,5,7)
- Growth Visioning Implementation and Monitoring program for 2004 – 2010 (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- Completion of Phase I (FY 4-05) of the Growth Visioning Implementation and Monitoring program (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- Partnership agreements with the County Transportation Commissions promoting the use of integrated land use/ transportation criteria for projects that meet regional growth visioning goals in their awards to local governments (June 2005) (PEA: 2,3,4,5; PF: 4,5,7)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,6,7

**FY 05-06 Continuing Activities:** Growth Visioning Implementation and Monitoring

**03-04 Work Element Numbers :**

**Completed:**

04-050.SCGS1: Growth Planning

**05-050.SCGC1**

**GV Consensus Building**

**Budget \$250,000**

**Funds Source**

**FTA 5303: \$221,325**

**TDA: \$28,675**

**Manager:** Harris

**Consultant:** TBD

**Contract Number:** TBD

**Contract Amount:** TBD

**Previous Accomplishments:** None

**Steps:**

1. Design consensus building process to promote the preferred Regional Growth Vision and solicit input related to its expanded content and implications. This process should include SCAG, the subregions, County Transportation Commissions (CTCs), local governments, and a host of other regional stakeholders. (July 2004 – Dec. 2004)
2. Align the expanded Regional Growth Vision with the elements to be included in the Updated Region Comprehensive Plan. This crucial step will codify the Vision into SCAG's long-range regional policy. (July 2004 - June 2005)
3. Building upon the strategies identified in the "Policy Dialogues" conducted in FY03-04, work with SCAG and its subregional partners to develop a comprehensive Regional Growth Vision Implementation and Monitoring program that achieves both short- and long-term goals and quantifies measures of success for land use implementation. (July 2004 - June 2005)
4. Implement the consensus building process designed in step one. The goal is to introduce the Regional Growth Vision to a wider audience, increase local governmental consensus, and expand the Vision's content to include the multiple physical, social, environmental and economic dimensions of the SCAG region. (Jan. 2005 - June 2005)
5. Develop a progress guide for each fiscal year leading to the adoption of the 2007 Regional Transportation Plan (RTP). This progress guide should include goals and strategies that ensure the implementation framework is in place to realize the land use assumptions in the 2004 RTP targeted for 2010 and beyond. (Jan. 2005 - June 2005)

**Products:**

- Extensive multi-media consensus building process design to promote the preferred Regional Growth Vision and solicit input related to its expanded content and implications (Dec. 2004) (PEA: 2,3,4,5; PF: 1,3,4,5,7)
- Report documenting FY04-05 achievements of consensus building process. This may include, but is not limited to workshops, conferences, media campaign, etc. (June 2005) (PEA: 2,3,4,5; PF: 1,3,4,5,7)
- Identification of Regional Growth Vision refinements for the Updated Region Comprehensive Plan (June 2005) (PEA: 2,3,4,5; PF: 1,3,4,5,7)

- Growth Visioning Implementation and Monitoring program for 2004 – 2010 (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- Strategic plan for each fiscal year leading to the adoption of the 2007 Regional Transportation Plan (RTP) (June 2005) (PEA: 2,3,4,5; PF: 1,3,4,5,7)

**Planning Emphasis Areas Addressed (PEA):** 1,2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,7

**FY 05-06 Continuing Activities:**

1. Develop a “suite of services,” including model codes and ordinances, that support implementation of the 2004 RTP land use vision through incentive based initiatives and technical assistance intended to create change within local jurisdictions planning activities to meet the objectives in the 2004 RTP targeted for 2010 and beyond. (July 2005 – June 2006)
2. Assist SCAG in the development and marketing of a technical resource pool including the mapping of land use opportunity areas for each subregion to provide information and assistance to agencies and others in support of implementation of the Regional Growth Vision. (July 2005 – June 2006)
3. Develop process to track and account for current planning efforts, development projects, and stakeholder activities in the region that meet the Regional Growth Vision’s objectives. (July 2005 – June 2006)

**03-04 Work Element Numbers:** New Project



**05-050.SCGC2**

**Water Demand Analysis**

**Budget \$50,000**

**Funds Source**

**FTA 5303: \$44,265**

**TDA: \$5,735**

**Manager:** Harris

**Consultant:** TBD

**Contract Number:** TBD

**Contract Amount:** TBD

**Previous Accomplishments:** None

**Steps:**

1. Collect and update the digital boundary files for all water supply districts in the SCAG region. (Jan. 2005)
2. Calculate the growth projections by water supply districts and estimate the population, employment, multi-family households, single-family households, and other appropriate variables for each water agency in the horizon year and appropriate increments. (Jan. 2005)
3. Compare the expected growth projection for each water agency with their planned supply and demand using the agency's Urban Water Management Plan (we have many of these on file; however, nearly all of these plans fall short of the 2030 horizon year and considerations are necessary). (March 2005)
4. Initiate discussions with each water agency regarding the findings that the planned supply may or may not meet the demand expected by the Growth Vision. (March 2005)
5. Assess the water supply effects that would result from the imposition of higher water quality standards on future wastewater and stormwater discharges in the region's watersheds. The application of more restrictive standards to regional discharges may require higher levels of water treatment/reclamation to produce water then clean enough to be considered a new, usable water supply. (March 2005)
6. Make recommendation to address potential shortages. (June 2005)
7. Design a modeling tool to duplicate this analysis for refinements to the Growth Vision and future updates to the growth forecast. (June 2005)
8. Analysis will be incorporated into the Regional Comprehensive Plan and Guide's (RCPG). (June 2005)

**Products:**

- Digital boundary files for all water supply districts in the SCAG region (Jan. 2005) (PEA: 2,3,4,5; PF: 1,4,6)
- Calculations of water supply vs. demand for the Growth Vision Alternative in 2030 and appropriate interim years (Jan. 2005) (PEA: 2,3,4,5; PF: 1,4,6)
- Comparisons of the expected growth projection by each water agency with their planned supply and demand (March 2005) (PEA: 2,3,4,5; PF: 1,4,6)
- Assessment of the effect of potential future water policy and regulation issues (March 2005) (PEA: 2,3,4,5; PF: 1,4,6)
- Recommendations to address potential shortages (June 2005) (PEA: 2,3,4,5; PF: 1,4,6)

- Modeling tool to duplicate this analysis for future updates (June 2005) (PEA: 2,3,4,5; PF: 1,4,6)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,4,6

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**05-050.CVGS1**

**Growth Visioning**

**Manager:** Harris

**Steps:**

1. Conduct Selection Process. (Aug. 2004 – Oct. 2004)
2. Working with consultant, develop workshop model, determine speakers and panels, secure workshop location site, develop workshop materials, mailing lists and invitations, workshop marketing. (Oct. 2004 – May 2005)
3. With consultant, fine tune the workshop details, send invitations, coordinate responses, complete workshop agendas, confirm speakers and panelists. Complete and confirm all workshop details. (Jan. 2005 – May 2005)
4. Hold four workshops. (Feb. 2005 – May 2005)
5. Review workshop outcomes, participant surveys and write project summary report. (Feb. 2005 – June 2005)

**Products:**

- Summary report of all four workshops, with attendees' comments regarding the quality of the workshops, the speakers, and what they have learned from attending (June 2005) (PEA: 2,3,4,5; PF: 1,3,4,5,6)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,6

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

|                          |
|--------------------------|
| <b>Budget \$5,648</b>    |
| <b>Funds Source</b>      |
| <b>FTA 5303: \$5,000</b> |
| <b>Cash: \$648</b>       |

**05-050.GTWS1**

**GTW Growth Visioning**

|                            |
|----------------------------|
| <b>Budget \$150,000</b>    |
| <b>Funds Source</b>        |
| <b>FTA 5303: \$132,795</b> |
| <b>Cash: \$17,205</b>      |

**Manager:** Harris

**Steps:**

1. Develop consensus on land use patterns to implement a sub-regional vision for infill and transit oriented development. (July 2004 – June 2005)
2. Develop a multi-year implementation schedule by and for the sub-region (July 2004 – June 2005)
3. Develop a multi-cities funding strategy to promote and support plan implementation (July 2004 – June 2005)

**Products:**

- Policy Framework for Compass Implementation Action Plan (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)

**Planning Emphasis Areas Addressed (PEA):** 1,2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**05-050.OCGS1**

**OCG Growth Visioning/Smart Growth**

**Manager:** Harris

**Budget \$120,000**

**FTA 5303: \$106,236**

**3<sup>rd</sup> Party: \$13,764**

**Steps:**

1. Develop a multifaceted Growth Visioning implementation program with the consensus and cooperation of local jurisdictions in the county. (July 2004 - June 2005)
2. Conduct public outreach and research on Smart Growth issues and program strategies. (July 2004 - June 2005)

**Products:**

- A final report on Growth Visioning/Smart Growth Implementation in Orange County with findings and recommendations for local governments. (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)

**Planning Emphasis Areas Addressed (PEA): 2,3,4,5**

**Planning Factors Addressed (PF): 1,3,4,5,6,7**

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**05-050.OCGS2**

**OCG Homes for California Families Orange**

**Manager:** Harris

|                                      |
|--------------------------------------|
| <b>Budget \$60,000</b>               |
| <b>FTA 5303: \$53,118</b>            |
| <b>3<sup>rd</sup> Party: \$6,882</b> |

**Steps:**

1. This initiative will foster public education and engagement on housing issues through conducting a series of daylong-facilitated dialogues (named ChoiceWork Dialogue) or public forums. (July 2004 - June 2005)
2. Support the production of a television program on growth and housing issues, shown first as a broadcast and available afterwards for groups to view on tape engaging in thoughtful dialogue. (Jan. 2005 - June 2005)
3. Review housing and infrastructure issues related to infill development, including Transit Oriented Development, and evaluate public policy issues and propose recommendations based on public forums, workshops, public dialogues and other outreach efforts. (July 2004 - June 2005)

**Products:**

- The broadcast-quality program and supporting materials featuring real people working through real tradeoffs related to growth and quality of life issues that effect workforce housing production will be made broadly available to the public (July 2004 - June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- A final report on study findings and recommendations prepared jointly with Western Riverside County. (Jan. 2005 - June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- A policy brief focusing on growth and workforce housing needs and potential solutions in the OCCOG subregion. (Jan. 2005 - June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- Conduct a public workshop on final recommendations and proposed actions. (Jan. 2005 - June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**05-050.SBCS1**

**SBC Promote New Housing Staff**

**Budget \$25,000**

**FTA 5303: \$22,132**

**3<sup>rd</sup> Party: \$2,868**

**Manager:** Harris

**Steps:**

1. Identify stakeholders and add them to the SBCCOG distribution list with an invitation to participate. (July 2004 – June 2005)
2. Assist with follow-up data collection. (July 2004-June 2005)
3. Work with South Bay cities to evaluate strategies and incentives concerning the establishment of more and/or mixed use housing in dense urban areas and a supportive transportation system. (July 2004 – June 2005)
4. Work with stakeholders and South Bay cities to build consensus. (July 2004 – June 2005)

**Products:**

- Minutes from SBCCOG regular and special meetings that discuss this study (June 2005) (PEA: 2,3,4,5; PF: 1,3,4,5,6,7)
- Summary of the outreach process that will be included in the consultant's report (June 2005) (PEA: 2,3,4,5; PF: 1,3,4,5,6,7)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,6,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**05-050.SGV51**

**SGV Growth Visioning**

**Budget \$11,296**

**FTA 5303: \$10,000**

**3<sup>rd</sup> Party: \$1,296**

**Manager:** Harris

**Steps:**

1. Develop a Growth Visioning Implementation and Monitoring program; include the member cities and unincorporated areas in defining roles, expectations and responsibilities for the short and long term RTP Vision implementation. This program timeframes will put forth short- and long-term strategies for all stakeholders. The program purpose is to ensure that measures are in place to realize the regional land use assumptions adopted in the 2004 Regional Transportation Plan (RTP) for 2010 and beyond. (July 2004 – June 2005)
2. Identify for each of the five sub-planning areas within the San Gabriel Valley a set of development issues and implementation strategies to ensure the desired growth within each geographic area is realized by working with the Planning Directors and San Gabriel Valley Council of Governments Board members. (July 2004 - June 2005)
3. Participate with the Compass resource team in a multi-jurisdictional communications effort. to promote a consensus regional vision of future growth. (July 2004 - June 2005)

**Products:**

- A Growth Visioning Implementation Plan that identifies solutions to identified barriers to realizing desired growth and timeframes for implementation. (June 2005) (PEA: 2,3,4,5; PF: 1,3,4,5,6,7)
- A monitoring program that includes objective measures, benchmarks or indicators that evaluate implementation progress in each San Gabriel Valley sub-area. (June 2005) (PEA: 2,3,4,5; PF: 1,3,4,5,6,7)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,6,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project



**05-050.WRCS1**

**WRC Mixed Use Housing**

**Manager:** Harris

**Budget \$55,735**

**Funds Source**

**FTA 5303: \$49,342**

**Cash: \$6,393**

**Steps:**

1. This initiative will foster public education and engagement on housing issues through conducting a series of daylong-facilitated dialogues (named ChoiceWork Dialogue) or public forums. (July 2004 to June 2005)
2. Support production of a television program on growth and housing issues, shown first as a broadcast and available afterwards for groups to view on tape engaging in thoughtful dialogue. (Jan. 2005 to June 2005)
3. Review housing and infrastructure issues related to infill development, including transit oriented development, and evaluate public policy issues and propose recommendations based on public forums, workshops, public dialogues and other outreach efforts. (July 2004 to June 2005)

**Products:**

- The broadcast-quality program and supporting materials featuring real people working through real tradeoffs related to growth and quality of life issues that effect workforce housing production will be made broadly available to the public (June 2005 ) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- A final report on study findings and recommendations prepared jointly with Western Riverside County. (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- A policy brief focusing on growth and housing issues in the WRCOG subregion. (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**05-050.WRCS2**

**WRC Homes for California Families Riverside**

**Manager:** Harris

|                           |
|---------------------------|
| <b>Budget \$33,411</b>    |
| <b>Funds Source</b>       |
| <b>FTA 5303: \$29,578</b> |
| <b>Cash: \$3,833</b>      |

**Steps:**

1. This initiative will foster public education and engagement on housing issues through conducting a series of daylong-facilitated dialogues (named ChoiceWork Dialogue) or public forums. (July 2004 - June 2005)
2. Produce a television program on growth and housing issues, shown first as a broadcast and available afterwards for groups to view on tape engaging in thoughtful dialogue. (Jan. 2005 - June 2005)

**Products:**

- The broadcast-quality program and supporting materials featuring real people working through real tradeoffs related to growth and quality of life issues that effect workforce housing production will be made broadly available to the public (July 2004 - June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- A final report on study findings and recommendations prepared jointly with Western Riverside County. (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)

**Planning Emphasis Areas Addressed (PEA):** 1,2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**05-050.CVGC1**

**CVG Growth Visioning Workshops**

**Manager:** Harris

**Consultant:** TBD

**Contract Number:** TBD

**Contract Amount:** TBD

**Previous Accomplishments:** None

**Steps:**

1. Draft workshop framework and research topic for the Coachella Valley(Sept. 2004 – Dec. 2004)
2. Consult with CVAG, SCAG, UCR and other project stakeholders. (Sept. 2004 – May 2005)
3. Complete workshop framework and secure all speakers, project materials and invitations. (Nov. 2004 – Feb. 2005)
4. Organize and facilitate the four Growth Visioning workshops. (Feb. 2005 – May 2005)
5. Prepare a written project evaluation for Growth Visioning in the Coachella Valley and future steps needed for the C.V. to utilize this information for growth and development for this area. (May 2005 – June 2005)

**Products:**

- A summary report and evaluation of Growth Visioning for the Coachella Valley. (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,6)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,6

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**Budget \$11,296**

**Funds Source**

**FTA 5303: \$10,000**

**Cash: \$1,296**

**05-050.SBCC1**

**SBC Promote New Housing**

|                                       |
|---------------------------------------|
| <b>Budget \$100,000</b>               |
| <b>Funds Source</b>                   |
| <b>FTA 5303: \$88,530</b>             |
| <b>3<sup>rd</sup> Party: \$11,470</b> |

**Manager:** Harris

**Consultant:** TBD

**Contract Number:** TBD

**Contract Amount:** TBD

**Previous Accomplishments:**

Participated and conducted growth visioning workshops, and infill and redevelopment studies analyzing infrastructure needs and capacity in the subregion. The Phase I consultant study focussed on a quantitative evaluation of the South Bay's carrying capacity. The next step in Phase II is to conduct a qualitative analysis answering the question, "What does the current capacity level mean and how do we impact it, if necessary, to

**Steps:**

1. Analyze the South Bay area demographics and employment to estimate future housing demand, job/housing balance patterns, and special transit needs. This analysis should answer the question, "Who
2. Identify the type of housing products and densities which are needed to respond to future demand and the complementary transit needs. (July 2004 – June 2005)
3. Identify deficiencies for planned growth that exist in the areas already studied in phase I study – potentially including Housing, Roadways, Sewers, Storm drains, Public Transit, Schools, Parks and open space. (July 2004 – June 2005)
4. Identify, evaluate, and catalogue land use plans and infrastructure capacity using GIS to assess whether they address the jobs/housing balance of the subregion. (July 2004 – June 2005)
5. Develop possible strategies and identify potential sources of funding to address identified deficiencies and constraints. (July 2004 – June 2005)

**Products:**

- A comprehensive evaluation and review of the demographics and projected development capacity for future growth, including an inventory of housing opportunities and deficiencies, resources for program implementation and an evaluation of potential housing demand for South Bay Cities Subregion as well as the adequacy of the local transit services (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)
- Demographics and study results in spatial analysis (GIS), documentation (maps) and databases (June 2005) (PEA: 1,2,3,4,5; PF: 1,3,4,5,7)

**Planning Emphasis Areas Addressed (PEA):** 1,2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers:** New Project

**Manager:** Harris

| <b>Fund Source Budget</b>                | <b>TOTAL</b>     | <b>SCAG</b>      | <b>SCAG<br/>Consultant</b> | <b>Subregion</b> | <b>Subregion<br/>Consultant</b> |
|--|------------------|------------------|----------------------------|------------------|---------------------------------|
| FHWA Planning                            | 1,124,931        | 1,124,931        | 0                          | 0                | 0                               |
| FTA 5303                                 | 0                | 0                | 0                          | 0                | 0                               |
| FHWA SP&R                                | 0                | 0                | 0                          | 0                | 0                               |
| 5313 (b)                                 | 0                | 0                | 0                          | 0                | 0                               |
| Federal - Other                          | 0                | 0                | 0                          | 0                | 0                               |
| TDA                                      | 0                | 0                | 0                          | 0                | 0                               |
| State - Other                            | 0                | 0                | 0                          | 0                | 0                               |
| Cash Match                               | 0                | 0                | 0                          | 0                | 0                               |
| 3rd Party Commitments (In-Kind Services) | 145,747          | 145,747          | 0                          | 0                | 0                               |
| Local - Other                            | 0                | 0                | 0                          | 0                | 0                               |
| <b>Total(s)</b>                          | <b>1,270,678</b> | <b>1,270,678</b> | <b>0</b>                   | <b>0</b>         | <b>0</b>                        |

| <b>Funds Application</b>                 | <b>TOTAL</b>     | <b>SCAG</b>      | <b>SCAG<br/>Consultant</b> | <b>Subregion</b> | <b>Subregion<br/>Consultant</b> |
|--|------------------|------------------|----------------------------|------------------|---------------------------------|
| Salaries & Fringe Benefits               | 532,562          | 532,562          | 0                          | 0                | 0                               |
| Temporary Employees                      | 0                | 0                | 0                          | 0                | 0                               |
| Indirect costs                           | 592,369          | 592,369          | 0                          | 0                | 0                               |
| Printing                                 | 0                | 0                | 0                          | 0                | 0                               |
| Travel                                   | 0                | 0                | 0                          | 0                | 0                               |
| SCAG Consultant                          | 0                | 0                | 0                          | 0                | 0                               |
| Subregion                                | 0                | 0                | 0                          | 0                | 0                               |
| Subregion Consultant                     | 0                | 0                | 0                          | 0                | 0                               |
| Other Direct Costs                       | 0                | 0                | 0                          | 0                | 0                               |
| 3rd Party Commitments (In-Kind Services) | 145,747          | 145,747          | 0                          | 0                | 0                               |
| <b>Total(s)</b>                          | <b>1,270,678</b> | <b>1,270,678</b> | <b>0</b>                   | <b>0</b>         | <b>0</b>                        |

**Program Objectives:**

The purpose of the program is to develop socioeconomic data and analysis that will support the formulation of the Regional Comprehensive Plan and sustain critical planning initiatives of the agency. Chief among these planning and policy initiatives are Environmental Justice (EJ) refinement, Transportation Improvement Program (TIP) development, transportation and local government finance capacity analysis, aviation and air cargo projections, and goods movement and volume projections. It will also support land use capacity analysis, public and private infrastructure investment assessments, SCAG Regional Transportation Modeling System Validation and data requirements, economic policy development, job/ housing balance and residential infill strategy development and Regional Housing Needs Assessment (RHNA) methodology development and analysis. SCAG will continue to monitor, analyze, and seek new approaches to key regional economic development issues and provide technical information, analysis, and policy input related to the regional labor force, employment, income, and housing.

**Program Accomplishments:**

The 05-055.SCGS1 better represents the forecasting and policy analysis function performed by the Community Development Division since SCAG's reorganization completed in July of 2003. This Work Element consolidates many previous steps and products throughout other work programs, but now undertaken by Community Development Division. For example, the forecasting functions including preparing socioeconomic data set for growth planning, regional transportation modeling and validations are previously

under both WE 04-050 Growth Visioning and WE04-040 Data in FY 03-04. The analysis functions related to demographic and growth impacts are assessed and provided to many affected programs and contribute to numerous work products. Finally, the policy analyses related to housing, regional economy, subregional economic development, transportation investments, environmental justice, revenue and aviation forecasts, etc. are all previously under WE04-050. Following are itemized accomplishments previously under other work elements but attributable to this work program.

Developed socioeconomic data and forecasting information as required to complete the 2004 RTP/Growth Visioning and EIR. These information included: all EIR scenario data sets, socioeconomic data sets required by the regional transportation modeling system and heavy duty truck models, air cargo and passenger demand forecasts, economic impact analysis of RTP, and growth impacts from private sector investment. Previous accomplishments also included providing local transportation revenue forecasts for RTIP development guidelines, tracking demographic and economic trends and assessing impacts on regional transportation revenue and travel demand forecasts for the 2004 RTP. In addition, the program also completed the development of the Small Area Income Model to improve the quality of the variables required by transportation model and Environmental Justice analysis.

A new subregional economic strategy pilot program was developed for the Inland Empire, Gateway Cities and Imperial County. The implementation plan includes a written guide to economic development resources in each of the three subregions. Held the 7<sup>th</sup> Annual Economic Forecast Conference and evaluated the impact of private financing in support of key infrastructure projects of the 2004 RTP and the impact on international trade on goods movement in the region. The program and staff also developed a comprehensive and innovative EJ analysis and methodology for RTP, and maintained its leading position nationwide in this area since 1998. Moreover, the program also provided venture capital investment analysis, maintained Regional Economy, Housing, Livable Places web sites, and responsible for many critical data used in all previous and current State of the Region reports. Staff also initiated research on the problem of poverty facing the region and provided input-output economic impact analysis for major projects in the region. Other accomplishments included a well-attended Housing Summit, successful completion of an Inter-regional Partnership Grant for Job Housing Balance and the conclusion of a HOME technical assistance grant in support of local housing initiatives.

**05-055.SCGS1 Regional Forecasting and Policy Analysis Staff**

**Manager:** Harris

**Steps:**

|  |
|--|
| <b>Budget \$1,270,678</b>              |
| <b>Funds Source</b>                    |
| <b>FHWA Planning: \$1,124,931</b>      |
| <b>3<sup>rd</sup> Party: \$145,747</b> |

1. Provide planning and policy implication and impact analysis supporting the development of the Regional Comprehensive Plan. This includes the development of a wide range of socioeconomic data for planning and policy analysis. This analysis will support Environmental Justice (EJ) refinement, Transportation Improvement Program (TIP) development, transportation and local government finance capacity analysis, aviation and air cargo projections, and goods movement and volume projections. It will also support land use capacity analysis, public and private infrastructure investment assessments, economic strategies development, job/ housing balance and residential infill strategy development and Regional Housing Needs Assessment (RHNA) methodology development and analysis. Track, monitor and analyze recent socioeconomic development trends on an ongoing basis. (July 2004 - June 2005)
2. Develop a new and improved growth-forecasting framework for the 2007 RTP. (July 2004 - June 2005)
3. Improve regional population, household, and employment forecasting models through enhancement of the Small Area Allocation Model (SAMM), application of the income model and conversion of current SIC employment data banks and projection models to NAICS data. Develop estimates of 2003 socioeconomic variables as required for validating regional transportation modeling system (July 2004 - June 2005)
4. Develop and market a technical resource pool to provide information and assistance to agencies and others in support of implementation of the Regional Growth Vision. (July 2004 - June 2005)
5. Develop and execute implementation plans to support the subregional economic development program. (July 2004 - June 2005)
6. Plan, organize and conduct the 8th annual Regional Economic Forecast Conference. (Dec. 2004 or June 2005)
7. Plan, organize and conduct a Housing Summit for elected officials. (July 2004 - March 2005)
8. Design the work program for updating general plan build-out capacity analysis. (March 2005 - June 2005)

**Products:**

- Growth forecasting framework and organization for 2007 RTP Growth Forecast process. Updated socioeconomic forecasting models (Sept. 2004) (PEA: 3,5; PF: 4,5,7)
- Organization plan of SCAG technical and policy resources and Marketing Plan to support implementation of the Regional Growth Vision (Oct. 2004) (PEA: 2,3,4,5; PF: 4,5,7)
- 8<sup>th</sup> Annual Regional Economic Forecast Conference and Summary Report (Nov. 2004) (PEA: 2,3,4,5; PF: 1,5,7)



- Annual Housing Summit for Elected Officials and Summary Report (April 2005) (PEA: 2,3,4,5; PF: 1,4,7)
- Database and thorough analysis of socio-economic trends to form the foundation of the Regional Comprehensive Plan and its common themes. This will be provided in a set of background papers on trends, issues and strategies (June 2005) (PEA: 2,5; PF: 1,2,3,4,5,6,7)
- Database for employment projections and reconfiguration of models to work with new industry NAICS data. Develop 2003 socioeconomic database as required for SCAG Regional Transportation Modeling System validation (June 2005) (PEA: 3,5; PF: 4,5,7)
- Various research, analysis, policy recommendations and reports relating to public and private financing for transportation infrastructure investments, venture capital investment trends, air cargo projections, financial forecast analysis, growth trends and forecasting, land use capacity and recent socioeconomic development trends. Report on the impact of poverty concentrations on local government expenditures and its implications for regional planning policy and the 2007 growth forecast. (July 2004 - June 2005) (PEA: 2,3,4,5; PF: 3,4,5,7)
- Summary and evaluation of results of first phase sub-regional economic development plan implementation (June 2005) (PEA: 3,4,5; PF: 4,5,7)
- Work program for updating general plan build-out capacity analysis in FY 05 – 06 (June 2005) (PEA: 2,3,4,5; PF: 5,6,7)

**Planning Emphasis Areas Addressed (PEA):** 2,3,4,5

**Planning Factors Addressed (PF):** 1,3,4,5,6,7

**FY 05-06 Continuing Activities:** None

**03-04 Work Element Numbers :**

**Completed:**

04-050.SCGS1: Growth Planning

# MEMO

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**TO:** Community, Economic and Human Development Committee (CEHD)

**FROM:** Mark Butala, Senior Regional Planner, [butala@scag.ca.gov](mailto:butala@scag.ca.gov), (213) 236-1945

**SUBJECT:** Compass Implementation Work Program

**DATE:** September 2, 2004

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**RECOMMENDED ACTION:** Information Only

## SUMMARY

Mark Butala will highlight the role of consultant assistance for the Compass program in FY04-05. Specifically, he will identify the consultants' function as they assist staff in their efforts of consensus building, monitoring and implementation of the Compass program.

## BACKGROUND

On August 5, 2004, the Regional Council approved entering into a contract with Fregonese Calthorpe Associates (FCA) in the amount of \$249,980 for consultant assistance with the Compass program. This approval assures that we have continuity in the Compass program as we move into the critical implementation phase. The proposed scope, that builds upon past accomplishments, is an innovative and technically sound approach divided into 3 phases - Consensus Building, Monitoring and Training, and Demonstration Projects – intended to make the adopted Vision's goals and benefits a reality.

The emerging Compass strategies included in the implementation program will be defined by local commitments and primed through policy and investment incentives. The Compass reinvestment and new community priority areas make up only about 2% of the landmass of the region, hence the naming of the Compass implementation plan the "2% Strategy - Shared Values, Shared Future."

# MEMO

**DATE:** September 2, 2004  
**TO:** Community, Economic, and Human Development Committee  
**FROM:** Simon Choi, Senior Regional Planner, (213) 236-1849, [choi@scag.ca.gov](mailto:choi@scag.ca.gov)  
**SUBJECT:** Analysis of California Department of Finance (DOF) Population Projections

**Recommended Action:** Information only.

## Summary:

- California Department of Finance (DOF) released a new population projection series for the year 2000-2050 on May 2004. This is the first projection series to incorporate 2000 Census information. Compared to the projections released in 1998, the new projections forecast 2.9 million fewer people in the SCAG region by 2030. According to the table 1, the new 2030 population projections for the SCAG region are approximately 800,000 lower than the 2004 RTP population forecast adopted by the Regional Council on April 2004. This difference represents 3.5% of the SCAG regional population forecast in 2030. The percent difference between the DOF projections and the SCAG forecast ranges from -8.1% (Los Angeles County) to 3.2% (Orange County). Given the size of the region and the forecast horizon (30 years), the difference is within the acceptable range.

Table 1. Comparison of 2030 Population Projections for the SCAG Region: DOF vs. SCAG.

| County         | DOF        | SCAG       | Difference (DOF-SCAG) | % difference |
|----------------|------------|------------|-----------------------|--------------|
| Imperial       | 254,989    | 269,871    | (14,882)              | -5.5%        |
| Los Angeles    | 11,236,734 | 12,221,809 | (985,075)             | -8.1%        |
| Orange         | 3,665,343  | 3,552,676  | 112,667               | 3.2%         |
| Riverside      | 3,180,411  | 3,143,471  | 36,940                | 1.2%         |
| San Bernardino | 2,762,307  | 2,713,153  | 49,154                | 1.8%         |
| Ventura        | 982,794    | 989,764    | (6,970)               | -0.7%        |
| Total          | 22,082,578 | 22,890,745 | (808,167)             | -3.5%        |

- Methodology: DOF uses a cohort-component model to project resident population by gender, race/ethnicity and age. Three major components of population growth (births, deaths, and migration) are developed to reflect recent trends. Special populations for prisons, colleges, and military installations are added to produce total population projections.
- Assumptions
  - ⇒ Fertility: County level age and race/ethnic fertility rates merge toward state norms during the forecast period.
  - ⇒ Mortality: Life expectancy stabilizes or improves during the forecast period.

⇒ Migration: Annual average net migration to California is fixed at 186,000 during the forecast period. Local input or historical migration patterns are used to develop County level migration assumptions.

# MEMO

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**DATE:** August 5, 2004

**TO:** Community, Economic and Human Development Committee

**FROM:** Bruce DeVine, Chief Economist, 213-236-1903 devine@scag.ca.gov  
JiHong McDermott, Senior Planner, 213-236-1975, mcdermot@scag.ca.gov

**SUBJECT:** 2003 Venture Capital Investment in the SCAG Region (Information Only)

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**RECOMMENDED ACTION:** Information only.

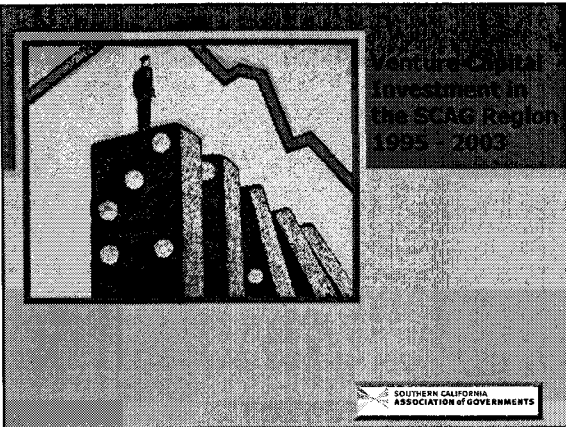
## **BACKGROUND:**

In 2003, the latest full year for which regional figures are available, Venture Capital (VC) investment in the SCAG region fell to \$992 million, down from \$1.2 billion in 2002. The 2003 total was the third straight decline for the region since the peak level of \$6.4 billion raised in 2000.

This pattern is not unique among regions across the county. Venture capitalists reduce their investment in smaller and newer firms when the economy goes into decline as it did in the 2000-2002 period. Nevertheless, the level of VC investment in a region is important to its economy. Such investment boosts Gross Regional Product and creates jobs; it supports all forms of innovation and research and development activities; and it stimulates local capital market activity.

For the past three years, staff has presented to the CEHD a picture of venture capital investments in the SCAG region. Today's presentation will look at recent trends in VC investment in the region and the nation, discuss the factors behind the 2000-2003 decline, examine which types of businesses in which areas of the region are attracting venture capital, and highlight the importance of venture capital in the economic outlook.

The PowerPoint presentation is available to any interested party.



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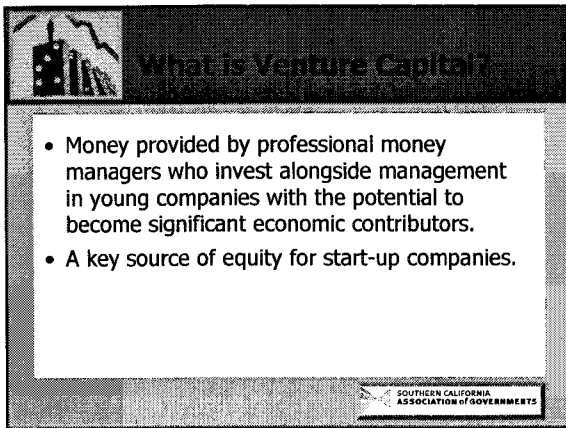
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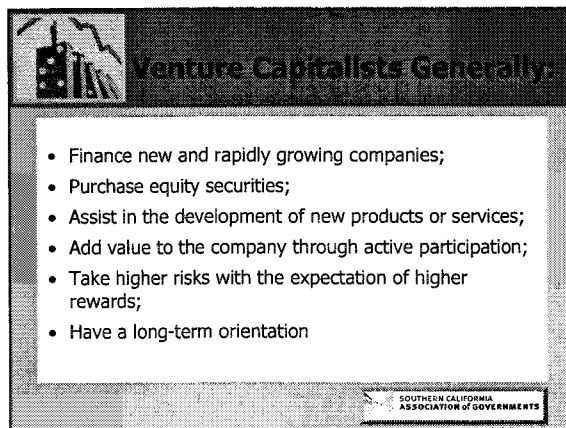
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### Importance of Venture Capital Investment to the Economy

#### Venture Capital:

- Boosts GDP and Creates Jobs
- Supports Innovation Across The Board
- Fosters Local and Regional Economic Growth



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### Importance of Venture Capital Investment to the Economy

#### VC-Backed Companies:

- Outperform Non-Venture-backed Companies
- Create Leading Edge "Industry Clusters" with High Skilled, High Wage Jobs



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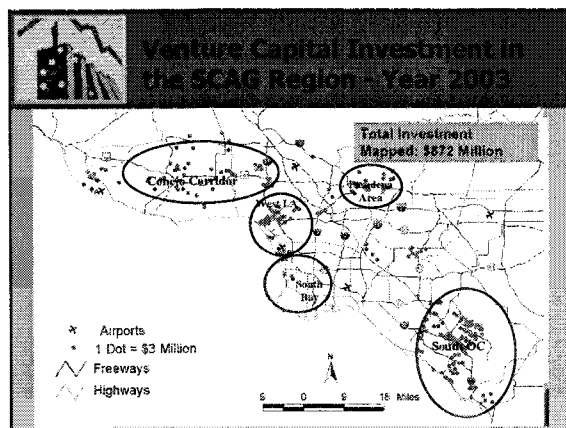
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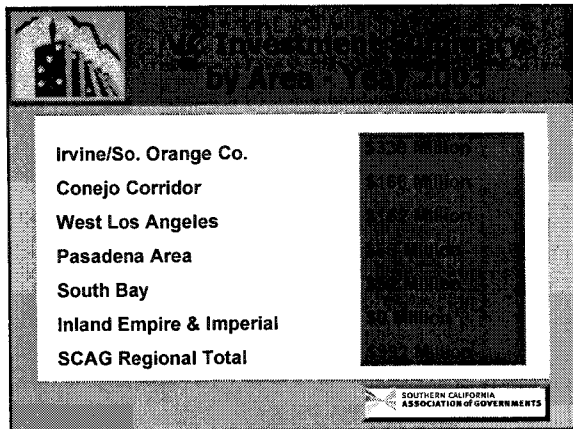
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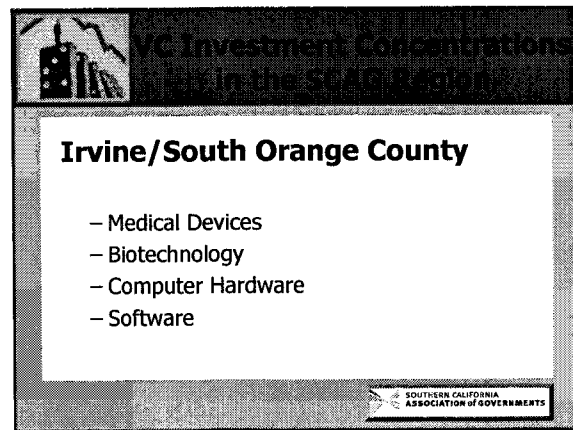
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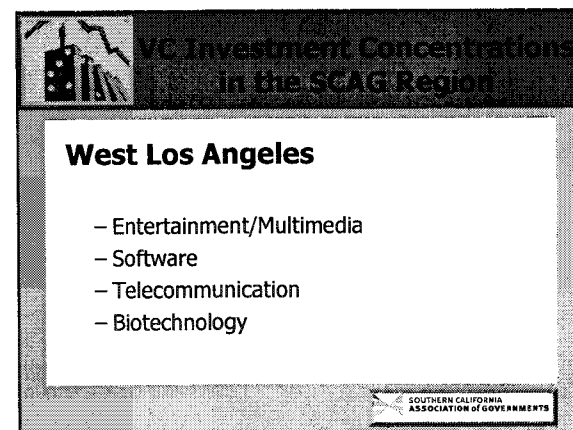
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**Conejo Corridor**

- Biotechnology
- Telecommunication
- Software
- Computers and Peripherals




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**Pasadena Area**

- Networking and Equipment
- Computers and Peripherals
- Biotechnology




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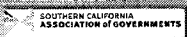
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**South Bay**

- Aerospace
- Defense
- Computer software
- Telecommunication




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### Importance of Venture Capital Investment to the Economy

- A recent study shows that Venture capital-funded companies contributed nearly \$1.1 trillion to GDP and directly accounted for 12.5 million jobs
- Equivalent to 11% of US GDP and one out of every nine jobs.



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### Importance of Venture Capital Investment to the Economy

- Impact of venture capital is extraordinary in terms of the contributions of VC-backed companies to:
  - R&D spending
  - New industry creation
  - Tax revenues, and
  - Exports



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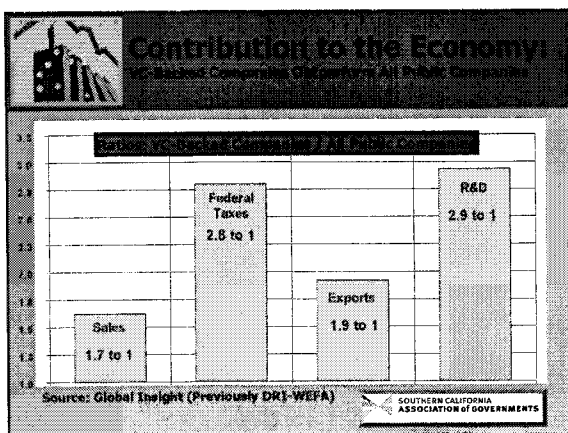
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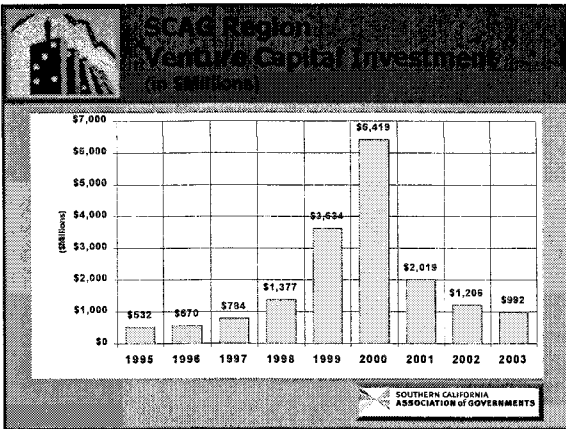
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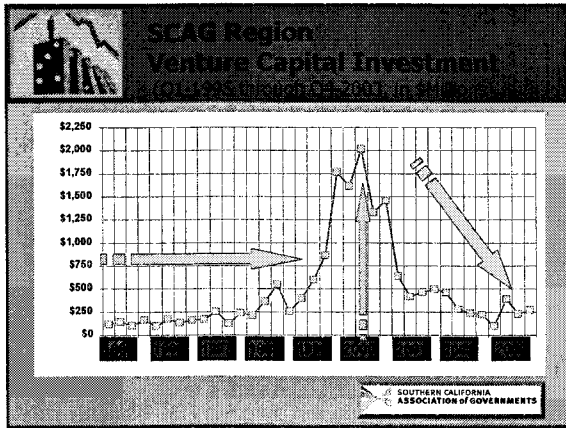
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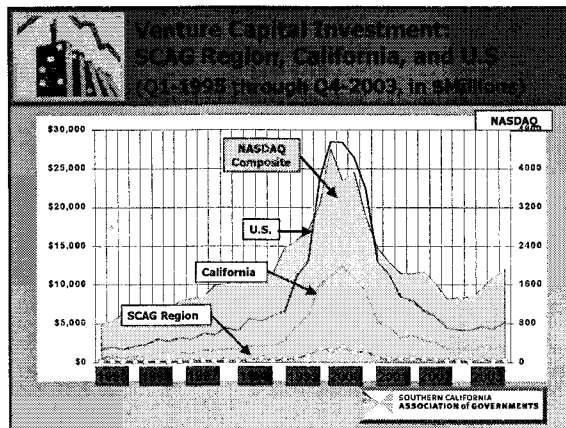
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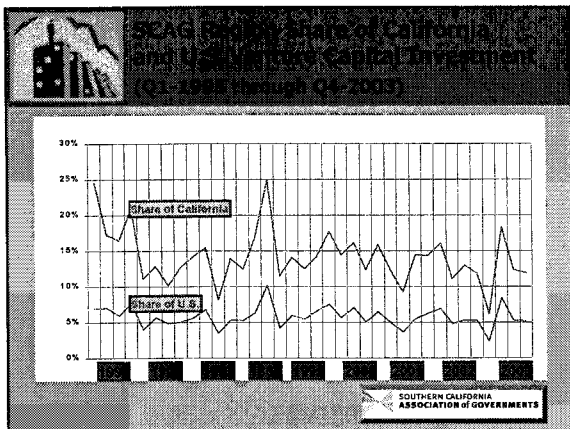
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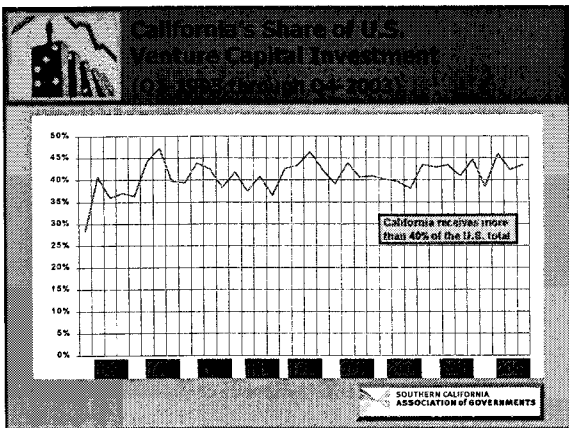
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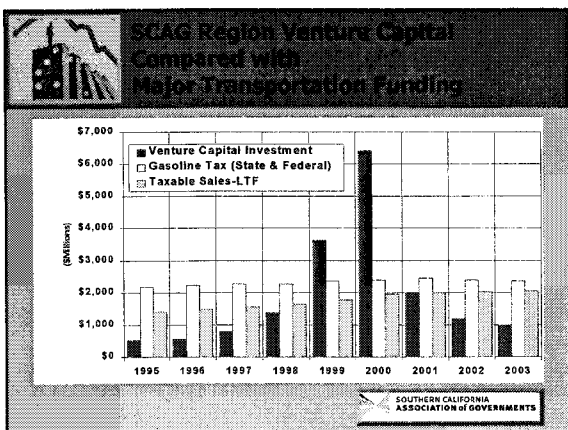
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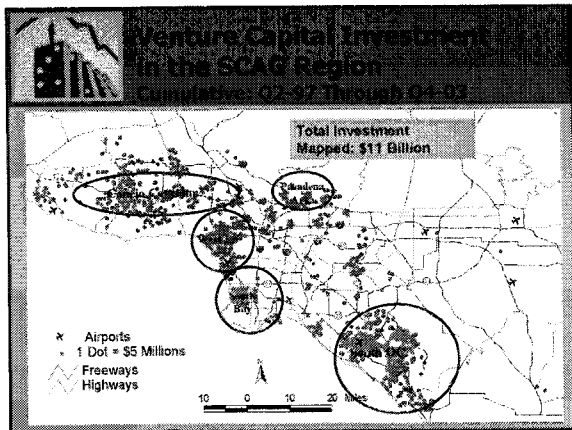
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| VC Investment Summary by Area |                     |
|-------------------------------|---------------------|
| Irvine/So. Orange Co.         | \$3.2 Billion       |
| Conejo Corridor               | \$2.7 Billion       |
| West Los Angeles              | \$1.5 Billion       |
| Pasadena Area                 | \$0.47 Billion      |
| South Bay                     | \$0.66 Billion      |
| Inland Empire & Imperial      | \$0.4 Billion       |
| <b>SCAG Regional Total</b>    | <b>\$11 Billion</b> |

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

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# MEMO

**TO:** Community, Economic, and Human Development Committee  
**FROM:** Lynn Harris, Manager, Community Development, (213) 236-1875,  
harris@scag.ca.gov  
**DATE:** September 2, 2004  
**SUBJECT:** Intergovernmental Review (IGR) of Glendale Town Center Project

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**RECOMMENDED ACTION:** Information only.

## **SUMMARY:**

Intergovernmental review (IGR) staff periodically updates the Committee on IGR activity. This update describes the IGR comments to the Glendale Town Center project. The Glendale Town Center project proposes the development of approximately 475,000 square feet of retail-commercial uses, 338 residential dwelling units, a public park, and other pedestrian open space elements on a 15.5-acre site.

## **BACKGROUND:**

As the areawide clearinghouse for regionally significant projects, SCAG reviews the consistency of local plans, projects, and programs with regional plans. This activity is based on SCAG's responsibilities as a regional planning organization pursuant to state and federal laws and regulations (California Public Resources Code Sections 21083 and 21087 and Presidential Executive Order 12,372). Guidance provided by these reviews is intended to assist local agencies and project sponsors to take actions that contribute to the attainment of regional goals and policies.

The Glendale Town Center project proposes the development of approximately 475,000 square feet of retail-commercial uses, 338 residential dwelling units, a public park, and other pedestrian open space elements on a 15.5-acre site. The project is located in the Central Glendale Redevelopment Project Area and is bound by Brand Boulevard to the east, Colorado Street to the south, Central Avenue to the west, and the Galleria II parking structure to the north.

SCAG received the Draft Environmental Impact Report (EIR) for the Glendale Town Center project on December 23, 2003. IGR staff issued a letter dated January 14, 2004, stating that the project was not regionally significant. The Notice of Preparation for a Draft EIR for the proposed project indicated that the proposed project would be less than the regionally significant thresholds of 500 dwelling units or 500,000 square feet of floor area for a business establishment or a shopping center. The January 14, 2004 letter is attached.



**SOUTHERN CALIFORNIA  
ASSOCIATION of GOVERNMENTS**

# MEMO

It was brought to IGR staff attention that the proposed project would include more than 1,000 employees. The California Environmental Quality Act (CEQA) Guidelines (Section 15206) state that projects employing more than 1,000 people are regionally significant. CEQA requires that EIRs discuss any inconsistencies between the proposed project and the applicable general plans and regional plans (Section 15125 [d]). If there are inconsistencies, an explanation and rationalization for such inconsistencies should be provided. Upon concluding that the Glendale Town Center project was a regionally significant project, IGR staff issued a second comment letter on March 17, 2004. This second letter requested that the Glendale Redevelopment Agency specifically cite in its Final EIR the appropriate SCAG policies and address the manner in which the project is consistent with applicable core policies or supportive of applicable ancillary policies. This letter also is attached.

The Glendale Redevelopment Agency responded to both of SCAG's comment letters in the Glendale Town Center Final Environmental Impact Report. The responses state that the project is consistent with SCAG policies in the Regional Comprehensive Plan and Guide and Regional Transportation Plan. The responses address the project's consistency with SCAG policies concerning growth management, mobility, air quality, and water quality. The responses to the SCAG comment letters are attached.

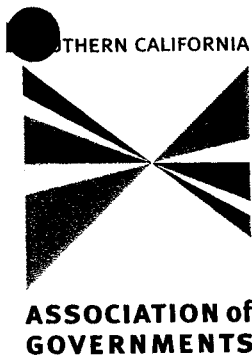
## **ATTACHMENTS:**

1. SCAG comment letter dated January 14, 2004
2. SCAG comment letter dated March 17, 2004
3. Glendale Redevelopment Agency response to SCAG comment letter dated January 14, 2004
4. Glendale Redevelopment Agency response to SCAG comment letter dated March 17, 2004

**FISCAL IMPACT:** All work related to this memo is contained within the FY04-05 work program.



**SOUTHERN CALIFORNIA  
ASSOCIATION of GOVERNMENTS**



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**Riverside County:** Marion Ashley, Riverside County • Ron Loveridge, Riverside • Jeff Miller, Corona • Greg Pettis, Cathedral City • Ron Roberts, Temecula • Charles White, Moreno Valley

**San Bernardino County:** Paul Biane, San Bernardino County • Bill Alexander, Rancho Cucamonga • Edward Burgnon, Town of Apple Valley • Lawrence Dale, Barstow • Lee Ann Garcia, Grand Terrace • Susan Longville, San Bernardino • Gary Ovitt, Ontario • Deborah Robertson, Rialto

**Ventura County:** Judy Mikels, Ventura County • Carl Morehouse, San Francisco • Toni Young, Port Hueneme

**Orange County Transportation Authority:** Charles Smith, Orange County

**Riverside County Transportation Commission:** Robin Lowe, Hemet

**Ventura County Transportation Commission:** Bill Davis, Simi Valley

January 14, 2004

Mr. Mark Berry  
Redevelopment Project Manager  
Glendale Redevelopment Agency  
633 E. Broadway, Suite 201  
Glendale, CA 91206

**RE: SCAG Clearinghouse No. I 20030727 Glendale Town Center Project**

Dear Mr. Berry:

Thank you for submitting the **Glendale Town Center Project** for review and comment. As areawide clearinghouse for regionally significant projects, SCAG reviews the consistency of local plans, projects and programs with regional plans. This activity is based on SCAG's responsibilities as a regional planning organization pursuant to state and federal laws and regulations. Guidance provided by these reviews is intended to assist local agencies and project sponsors to take actions that contribute to the attainment of regional goals and policies.

We have reviewed the **Glendale Town Center Project**, and have determined that the proposed Project is not regionally significant per SCAG Intergovernmental Review (IGR) Criteria and California Environmental Quality Act (CEQA) Guidelines (Section 15206). The proposed project is not a residential development of more than 500 dwelling units, or a proposed shopping center or business establishment employing more than 1,000 persons or encompassing more than 500,000 square feet of floor space. Therefore, the proposed Project does not warrant comments at this time. Should there be a change in the scope of the proposed Project, we would appreciate the opportunity to review and comment at that time.

A description of the proposed Project was published in SCAG's **December 16-31, 2003** Intergovernmental Review Clearinghouse Report for public review and comment.

The project title and SCAG Clearinghouse number should be used in all correspondence with SCAG concerning this Project. Correspondence should be sent to the attention of the Clearinghouse Coordinator. If you have any questions, please contact me at (213) 236-1867. Thank you.

Sincerely,

JEFFREY M. SMITH, AICP  
Senior Regional Planner  
Intergovernmental Review



March 17, 2004

Mr. Mark Berry  
Redevelopment Project Manager  
Glendale Redevelopment Agency  
City of Glendale  
633 E. Broadway, Suite 201  
Glendale, CA 91206

RE: **Glendale Town Center – SCAG No. I 20020522, 20030727**

Dear Mr. Berry:

In January 2004, SCAG provided a letter to you regarding our review of the **Glendale Town Center Draft Environmental Impact Report**. At that time, SCAG determined that the proposed Project was not regionally significant because the Notice of Preparation for a Draft EIR for the proposed Project indicated that the proposed Project included less than 500 dwelling units and the proposed Project would encompass less than 500,000 square feet of floor area for a business establishment or a shopping center.

However, it has been brought to our attention that the proposed Project would include more than 1,000 employees. The **California Environmental Quality Act (CEQA) Guidelines (Section 15206)** includes criteria for projects of regional significance. Although the proposed Project includes less than 500 dwelling units and 500,000 square feet of floor area, as stated above, the proposed Project will employ more than 1,000 people. **Based on this information the proposed Project is regionally significant.** CEQA requires that EIRs discuss any inconsistencies between the proposed project and the applicable general plans and **regional plans (Section 15125 [d])**. If there are inconsistencies, an explanation and rationalization for such inconsistencies should be provided.

Policies of SCAG's Regional Comprehensive Plan and Guide and Regional Transportation Plan, which may be applicable to your project, are outlined in the attachment. **We expect the Final EIR to specifically cite the appropriate SCAG policies and address the manner in which the Project is consistent with applicable core policies or supportive of applicable ancillary policies. Please use our policy numbers to refer to them in your Final EIR. Also, we would encourage you to use a side-by-side comparison of SCAG policies with a discussion of the consistency or support of the policy with the Proposed Project.**

As areawide clearinghouse for regionally significant projects, SCAG reviews the consistency of local plans, projects, and programs with regional plans. This activity is based on SCAG's responsibilities as a regional planning organization pursuant to state and federal laws and regulations. Guidance provided by these reviews is intended to assist local agencies and project sponsors to take actions that contribute to the attainment of regional goals and policies.

Please provide a minimum of 45 days for SCAG to review the Final EIR when this document is available. If you have any questions regarding the attached comments, please contact me at (213) 236-1867. Thank you.

Sincerely,

JEFFREY M. SMITH, AICP  
Senior Regional Planner  
Intergovernmental Review

**COMMENTS ON THE PROPOSAL TO DEVELOP A  
ENVIRONMENTAL IMPACT REPORT  
FOR THE  
GLENDALE TOWN CENTER  
SCAG NO. I 20020522, 20030727**

**CONSISTENCY WITH REGIONAL COMPREHENSIVE PLAN AND GUIDE POLICIES**

The **Growth Management Chapter (GMC)** of the Regional Comprehensive Plan and Guide (RCPG) contains the following policies that are particularly applicable and should be addressed in the Final EIR for the Glendale Town Center.

*3.01 The population, housing, and jobs forecasts, which are adopted by SCAG's Regional Council and that reflect local plans and policies, shall be used by SCAG in all phases of implementation and review.*

**Regional Growth Forecasts**

The Draft EIR should reflect the most current SCAG forecasts which are the 2001 RTP (April 2001) Population, Household and Employment forecasts for the Arroyo Verdugo subregion and the City of Glendale. These forecasts follow:

| <b>A. VERDUGO</b> |             |             |             |             |             |             |
|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>SUBREGION</b>  | <b>2000</b> | <b>2005</b> | <b>2010</b> | <b>2015</b> | <b>2020</b> | <b>2025</b> |
| POPULATION        | 399,130     | 427,250     | 438,666     | 449,889     | 465,121     | 480,849     |
| HOUSEHOLD         | 145,580     | 152,398     | 158,072     | 163,776     | 170,203     | 180,069     |
| EMPLOYMENT        | 211,375     | 226,334     | 241,792     | 250,935     | 259,288     | 268,174     |

| <b>CITY OF</b>  |             |             |             |             |             |             |
|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>GLENDALE</b> | <b>2000</b> | <b>2005</b> | <b>2010</b> | <b>2015</b> | <b>2020</b> | <b>2025</b> |
| POPULATION      | 198,849     | 210,483     | 212,713     | 214,906     | 217,881     | 220,954     |
| HOUSEHOLD       | 71,829      | 75,271      | 75,545      | 75,821      | 76,132      | 76,608      |
| EMPLOYMENT      | 90,154      | 94,684      | 99,366      | 102,135     | 104,665     | 107,356     |

*3.03 The timing, financing, and location of public facilities, utility systems, and transportation systems shall be used by SCAG to implement the region's growth policies.*

### **GMC POLICIES RELATED TO THE RCPG GOAL TO IMPROVE THE REGIONAL STANDARD OF LIVING**

The Growth Management goals to develop urban forms that enable individuals to spend less income on housing cost, that minimize public and private development costs, and that enable firms to be more competitive, strengthen the regional strategic goal to stimulate the regional economy. The evaluation of the proposed project in relation to the following policies would be intended to guide efforts toward achievement of such goals and does not infer regional interference with local land use powers.

- 3.05 *Encourage patterns of urban development and land use, which reduce costs on infrastructure construction and make better use of existing facilities.*
- 3.09 *Support local jurisdictions' efforts to minimize the cost of infrastructure and public service delivery, and efforts to seek new sources of funding for development and the provision of services.*
- 3.10 *Support local jurisdictions' actions to minimize red tape and expedite the permitting process to maintain economic vitality and competitiveness.*

### **GMC POLICIES RELATED TO THE RCPG GOAL TO IMPROVE THE REGIONAL QUALITY OF LIFE**

The Growth Management goals to attain mobility and clean air goals and to develop urban forms that enhance quality of life, that accommodate a diversity of life styles, that preserve open space and natural resources, and that are aesthetically pleasing and preserve the character of communities, enhance the regional strategic goal of maintaining the regional quality of life. The evaluation of the proposed project in relation to the following policies would be intended to provide direction for plan implementation, and does not allude to regional mandates.

- 3.12 *Encourage existing or proposed local jurisdictions' programs aimed at designing land uses which encourage the use of transit and thus reduce the need for roadway expansion, reduce the number of auto trips and vehicle miles traveled, and create opportunities for residents to walk and bike.*
- 3.14 *Support local plans to increase density of future development located at strategic points along the regional commuter rail, transit systems, and activity centers.*
- 3.15 *Support local jurisdictions strategies to establish mixed-use clusters and other*

*transit-oriented developments around transit stations and along transit corridors.*

- 3.16 *Encourage developments in and around activity centers, transportation corridors, underutilized infrastructure systems, and areas needing recycling and redevelopment.*
- 3.18 *Encourage planned development in locations least likely to cause environmental impact.*
- 3.20 *Support the protection of vital resources such as wetlands, groundwater recharge areas, woodlands, production lands, and land containing unique and endangered plants and animals.*
- 3.21 *Encourage the implementation of measures aimed at the preservation and protection of recorded and unrecorded cultural resources and archaeological sites.*
- 3.22 *Discourage development, or encourage the use of special design requirements, in areas with steep slopes, high fire, flood, and seismic hazards.*
- 3.23 *Encourage mitigation measures that reduce noise in certain locations, measures aimed at preservation of biological and ecological resources, measures that would reduce exposure to seismic hazards, minimize earthquake damage, and to develop emergency response and recovery plans.*

#### **GMC POLICIES RELATED TO THE RCPG GOAL TO PROVIDE SOCIAL, POLITICAL, AND CULTURAL EQUITY**

The Growth Management Goal to develop urban forms that avoid economic and social polarization promotes the regional strategic goal of minimizing social and geographic disparities and of reaching equity among all segments of society. The evaluation of the proposed project in relation to the policy stated below is intended guide direction for the accomplishment of this goal, and does not infer regional mandates and interference with local land use powers.

- 3.24 *Encourage efforts of local jurisdictions in the implementation of programs that increase the supply and quality of housing and provide affordable housing as evaluated in the Regional Housing Needs Assessment.*
- 3.27 *Support local jurisdictions and other service providers in their efforts to develop sustainable communities and provide, equally to all members of society, accessible and effective services such as: public education, housing, health care,*

*social services, recreational facilities, law enforcement, and fire protection.*

## **REGIONAL TRANSPORTATION PLAN**

The **Regional Transportation Plan (RTP)** also has goals, objectives, policies and actions pertinent to this proposed project. This RTP links the goal of sustaining mobility with the goals of fostering economic development, enhancing the environment, reducing energy consumption, promoting transportation-friendly development patterns, and encouraging fair and equitable access to residents affected by socio-economic, geographic and commercial limitations. Among the relevant goals, objectives, policies and actions of the RTP are the following:

### **Core Regional Transportation Plan Policies**

#### ***4.01 Transportation investments shall be based on SCAG's adopted Regional Performance Indicators:***

***Mobility*** - *Transportation Systems should meet the public need for improved access, and for safe, comfortable, convenient, faster and economical movements of people and goods.*

- *Average Work Trip Travel Time in Minutes – 25 minutes (Auto)*
- *PM Peak Freeway Travel Speed – 45 minutes (Transit)*
- *PM Peak Non-Freeway Travel Speed*
- *Percent of PM Peak Travel in Delay (Fwy)*
- *Percent of PM Peak Travel in Delay (Non-Fwy)*

***Accessibility*** - *Transportation system should ensure the ease with which opportunities are reached. Transportation and land use measures should be employed to ensure minimal time and cost.*

- *Work Opportunities within 45 Minutes door to door travel time (Mode Neutral)*
- *Average transit access time*

***Environment*** - *Transportation system should sustain development and preservation of the existing system and the environment. (All Trips)*

- *CO, ROG, NOx, PM10, PM2.5 – Meet the applicable SIP Emission Budget and the Transportation Conformity requirements*

***Reliability*** – *Transportation system should have reasonable and dependable levels of service by mode. (All Trips)*

- *Transit – 63%*
- *Highway – 76%*

Safety - Transportation systems should provide minimal accident, death and injury. (All Trips)

- Fatalities Per Million Passenger Miles – 0
- Injury Accidents – 0

Equity/Environmental Justice - The benefits of transportation investments should be equitably distributed among all ethnic, age and income groups. (All trips)

- By Income Groups Share of Net Benefits – Equitable Distribution of Benefits among all Income Quintiles

Cost-Effectiveness - Maximize return on transportation investment (All Trips). Air Quality, Mobility, Accessibility and Safety

- Return on Total Investment – Optimize return on Transportation Investments

4.02 Transportation investments shall mitigate environmental impacts to an acceptable level.

4.04 Transportation Control Measures shall be a priority.

4.16 Maintaining and operating the existing transportation system will be a priority over expanding capacity.

4.18 Each county should provide environmentally acceptable airport capacity within its own market area to meet local and domestic air passenger demand.

## **AIR QUALITY CHAPTER CORE ACTIONS**

The **Air Quality Chapter** core actions related to the proposed project includes:

5.07 Determine specific programs and associated actions needed (e.g., indirect source rules, enhanced use of telecommunications, provision of community based shuttle services, provision of demand management based programs, or vehicle-miles-traveled/emission fees) so that options to command and control regulations can be assessed.

5.11 Through the environmental document review process, ensure that plans at all levels of government (regional, air basin, county, subregional and local) consider air quality, land use, transportation and economic relationships to ensure consistency and minimize conflicts.

## **WATER QUALITY CHAPTER RECOMMENDATIONS AND POLICY OPTIONS**

The **Water Quality Chapter** core recommendations and policy options relate to the two water quality goals: to restore and maintain the chemical, physical and biological integrity of the nation's water; and, to achieve and maintain water quality objectives that are necessary to protect all beneficial uses of all waters.

*11.07 Encourage water reclamation throughout the region where it is cost-effective, feasible, and appropriate to reduce reliance on imported water and wastewater discharges. Current administrative impediments to increased use of wastewater should be addressed.*

## **CONCLUSIONS**

All feasible measures needed to mitigate any potentially negative regional impacts associated with the proposed project should be implemented and monitored, as required by CEQA.

- - -  
**ENDNOTE**

**SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS**

*Roles and Authorities*

SCAG is a **Joint Powers Agency** established under California Government Code Section 6502 et seq. Under federal and state law, SCAG is designated as a Council of Governments (COG), a Regional Transportation Planning Agency (RTPA), and a Metropolitan Planning Organization (MPO). SCAG's mandated roles and responsibilities include the following:

SCAG is designated by the federal government as the Region's **Metropolitan Planning Organization** and mandated to maintain a continuing, cooperative, and comprehensive transportation planning process resulting in a Regional Transportation Plan and a Regional Transportation Improvement Program pursuant to 23 U.S.C. '134(g)-(h), 49 U.S.C. '1607(f)-(g) et seq., 23 C.F.R. '450, and 49 C.F.R. '613. SCAG is also the designated **Regional Transportation Planning Agency**, and as such is responsible for both preparation of the Regional Transportation Plan (RTP) and Regional Transportation Improvement Program (RTIP) under California Government Code Section 65080.

SCAG is responsible for developing the demographic projections and the integrated land use, housing, employment, and transportation programs, measures, and strategies portions of the **South Coast Air Quality Management Plan**, pursuant to California Health and Safety Code Section 40460(b)-(c). SCAG is also designated under 42 U.S.C. '7504(a) as a **Co-Lead Agency** for air quality planning for the Central Coast and Southeast Desert Air Basin District.

SCAG is responsible under the Federal Clean Air Act for determining **Conformity** of Projects, Plans and Programs to the Air Plan, pursuant to 42 U.S.C. '7506.

Pursuant to California Government Code Section 65089.2, SCAG is responsible for **reviewing all Congestion Management Plans (CMPs) for consistency with regional transportation plans** required by Section 65080 of the Government Code. SCAG must also evaluate the consistency and compatibility of such programs within the region.

SCAG is the authorized regional agency for **Inter-Governmental Review** of Programs proposed for federal financial assistance and direct development activities, pursuant to Presidential Executive Order 12,372 (replacing A-95 Review).

SCAG reviews, pursuant to Public Resources Code Sections 21083 and 21087, **Environmental Impact Reports** of projects of regional significance for consistency with regional plans [California Environmental Quality Act Guidelines Sections 15206 and 15125(b)].



## 3.2 Written Comment Letters

## REGIONAL AGENCIES

Letter No. 2: Southern California Association of Governments (SCAG)

## Response 1

Please note that Agency reviewed the proposed Glendale Town Center against the criteria in Section 15206 of the CEQA *Guidelines* that define Regionally Significant Projects. As described in the Draft EIR Project Description on page 3.0-18, it is estimated that the Project will provide up to 1,756 full and part-time employment opportunities. Since the Project will provide more than 1,000 employment opportunities, the Agency provided analysis of the consistency of the Project with the SCAG *Regional Comprehensive Plan and Guide* (RCP&G) in Section 4.1, Land Use and Planning of the Draft EIR.

### 3.2 Written Comment Letters

Letter No. 3: Southern California Association of Governments (SCAG)

Response 1

The Draft EIR Land Use and Planning Section included analysis of the consistency of the Project with SCAG RCP&G Policies 3.01, 3.05, 3.12, 3.14, and 3.23. The conclusion of this analysis is that the Project is consistent with these policies. The additional policies contained in the RCP&G and Regional Transportation Plan (RTP) identified in this letter are listed below followed by a discussion of the consistency of the Project with these policies.

#### *Growth Management Chapter*

The purpose of the Growth Management Chapter of the RCP&G is to present forecasts that establish the socio-economic parameters for the development of various functional chapters of the RCP&G. Another purpose of the chapter is to address the complex issues related to growth and land consumption, and to suggest guiding principals for development that are supportive of the strategic goals of the RCP&G.

Those policies identified in this comment not already addressed in the Draft EIR are addressed below:

3.03 *The timing, financing, and location of public facilities, utility systems, and transportation systems shall be used by SCAG to implement the region's growth policies.*

3.09 *Support local jurisdiction's efforts to minimize the cost of infrastructure and public service delivery, and efforts to seek new sources of funding for development and the provision of services.*

Analysis: The Project site is located in a developed portion of City of Glendale that is currently served by existing public facilities, utilities and public facilities. As a result, municipal services and utilities are available to serve the Proposed Project. The analysis in the Draft EIR demonstrates that the utility and public services needed to serve the Project can be provided. The Project would generate revenue in the form of sales taxes, property taxes, fees, etc., which would be available to the City to fund public services to serve this Project and the City as a whole, such as fire and police service, flood control, library service, street maintenance, etc. Revenues for capital improvements would also be generated by the Project directly through various forms of development fees, including, but not limited to water connection fees, sewer connection fees, and school fees. Therefore, the Project is considered consistent with these policies.

3.10 *Support local jurisdiction's actions to minimize red tape and expedite the permitting process to maintain economic vitality and competitiveness.*

### 3.2 Written Comment Letters

Analysis: The proposed Glendale Town Center Project includes a request for approval of a Specific Plan. The proposed Glendale Town Center Specific Plan incorporates development and use standards tailored to the mix of commercial and residential uses proposed and the architectural and site design of the Proposed Project. The purpose of the Specific Plan is to fulfill the goals of both the City's Comprehensive General Plan and the Redevelopment Plan for the Central Glendale Redevelopment Project Area. The Specific Plan includes development standards defined for this Project that will expedite subsequent permitting and minimize the amount of additional review required by the City. As a result, the Project is considered consistent with this policy.

3.15 *Support local jurisdictions strategies to establish mixed-use clusters and other transit oriented developments around transit stations and along transit corridors.*

3.16 *Encourage developments in and around activity centers, transportation corridors, underutilized infrastructure systems, and areas needing recycling and redevelopment.*

Analysis: The development of the Glendale Town Center will provide a mixed-use project containing residential, commercial, open space and public recreational uses in an area presently served by public transit and containing a regional transportation system. Approximately 15 bus lines provide service in the immediate vicinity of the Proposed Project. These routes include stops at the Glendale Transportation Center, which provides access to the greater Los Angeles Metropolitan region via bus and commuter trains as well as statewide access via Amtrak long distance trains.

The Project site is located in an under utilized area of downtown Glendale. As such, the Project will promote stability of the downtown area by replacing vacant buildings and limited commercial development with a mixed-use project containing residential and commercial uses. In addition, the Project will enhance downtown Glendale's designation as a regional commercial center by creating a diversity of commercial uses. Based on the above, the Project is considered consistent with these policies.

3.18 *Encourage planned development in locations least likely to cause environmental impact.*

3.20 *Support the protection of vital resources such as wetlands, groundwater recharge areas, woodlands, production lands, and land containing unique and endangered plants and animals.*

Analysis: The Project site is located in a developed portion of downtown Glendale and the Project involves the redevelopment of a portion of the downtown. This redevelopment activity avoids impacts to natural resources present in the undeveloped areas of the City such as wetlands, groundwater recharge

### 3.2 Written Comment Letters

areas, woodlands and land containing unique and endangered plants or animals. The Draft EIR includes comprehensive analysis of potential environmental impacts that demonstrates that the Project is proposed in a location in downtown that minimizes impacts due to the characteristics of the site and the surrounding area. Through compliance with applicable regulations and codes, potential impacts such as hazards associated with seismic events would be reduced to less than significant levels. The Project is consistent with these RCPG policies.

- 3.21 *Encourage the implementation of measures aimed at the preservation and protection of recorded and unrecorded cultural resources and archaeological sites.*

Analysis: The Project site has been disturbed by previous development activity. As a result, surficial evidence of prehistoric or historic cultural resources have either been disturbed or covered over. There is a remote possibility of deeply buried resources being uncovered during excavation. Compliance with mitigation measures identified in Section 4.9 of the Draft EIR would reduce the potential for any significant impact to unrecorded cultural resources. The Project is consistent with this policy.

- 3.22 *Discourage development, or encourage the use of special design requirements, in areas with steep slopes, high fire, flood, and seismic hazards.*

Analysis: The Project site is not subject to flood hazards, wildland fire hazards, nor does the property contain any steep slopes. Like other locations in Southern California, the site would be subject to seismic hazards common to the region. Through compliance with the applicable requirements and standards in the Uniform Building Code hazards to the Project associated with seismic events would be reduced to less than significant levels making the Project consistent with this SCAG policy.

- 3.24 *Encourage efforts of local jurisdictions in the implementation of programs that increase the supply and quality of housing and provide affordable housing as evaluated in the Regional Housing Needs Assessment.*

Analysis: The City of Glendale is aggressively pursuing a wide variety of housing opportunities for the full range of economic levels within the City. The Project will expand the range and type of housing available in the City by providing apartments and condominium units in downtown Glendale. Since the Project is located in the Central Redevelopment Plan Area, 20 percent of the tax increment generated by the Proposed Project will be directed toward affordable housing projects and programs administered by the City's Community Development and Housing Division. For these reasons, the Proposed Project is considered consistent with these policies.

### 3.2 Written Comment Letters

- 3.27 *Support local jurisdictions and other service providers in their efforts to develop sustainable communities and provide equally to all members of society, accessible and effective services, such as: public education, housing, health care, social services, recreational facilities, law enforcement, and fire protection.*

Analysis: The Project site is located in a developed portion of City of Glendale with a full range of infrastructure and municipal services afforded to the sites. In addition to developer fees and construction related infrastructure improvements, the residents and businesses in the Project would generate revenue in the form of sales taxes, property taxes, fees, etc., which would be available to fund the recurring costs associated with provision of municipal services to the Project and the City as a whole. Revenues for capital improvements would also be generated by the Project directly through various forms of development fees. The Project is consistent with this RCPG policy.

#### *Regional Mobility Chapter*

The Regional Mobility Chapter is a summary of the SCAG Regional Mobility Element (RME). The RME, adopted in 2001, is the principal transportation policy, strategy and objective statement of SCAG, proposing a comprehensive strategy for achieving mobility and air quality mandates. The RME is also referred to as the Regional Transportation Plan (RTP), as it serves as both the federal- and state-required regional long-range transportation plan for the SCAG region through the year 2025.

The Regional Mobility Element links the goal of sustaining mobility with the goals of fostering economic development, enhancing the environment, reducing energy consumption, promoting transportation-friendly development patterns, and encouraging fair and equitable access to residents affected by socio-economic, geographic, and commercial limitations. Those policies identified in this comment not already addressed in the Draft EIR are addressed below:

- 4.01 *Transportation investments shall be based on SCAG's adopted Regional Performance Indicators.*

Mobility – Transportation systems should meet the public need for improved access, and for safe, comfortable, convenient, faster, and economical movements of people and goods.

- Average work trip travel time in minutes – 25 minutes (Auto);
- PM peak freeway travel speed – 45 minutes (Transit);
- PM peak non-freeway travel speed;
- Percent of PM peak travel in delay (Fwy); and
- Percent of PM peak travel in delay (Non-Fwy).

### 3.2 Written Comment Letters

Accessibility – Transportation system should ensure the ease with which opportunities are reached. Transportation and land use measures should be employed to ensure minimal time and cost.

- Work opportunities within 45 minutes door to door travel time (Mode Neutral); and
- Average transit access time.

Environment – Transportation systems should sustain development and preservation of the existing system and the environment. (All Trips)

- CO, ROG, NO<sub>x</sub>, PM<sub>10</sub>, PM<sub>2.5</sub> – Meet the applicable SIP Emission Budget and the Transportation Conformity requirements.

Reliability – Transportation system should have reasonable and dependable levels of service by mode. (All Trips)

- Transit – 63 percent; and
- Highway – 76 percent.

Safety – Transportation systems should provide minimal accident, death and injury. (All Trips)

- Fatalities per million passenger miles – 0; and
- Injury accidents – 0.

Equity/Environmental Justice – The benefits of transportation investments should be equitably distributed among all ethnic, age and income groups. (All Trips)

- By income groups share of net benefits – Equitable distribution of benefits among all income quintiles.

Cost-Effectiveness – Maximize return on transportation investment (All Trips). Air Quality, Mobility, Accessibility and Safety.

- Return on total Investment – Optimize return on Transportation Investments.

### 3.2 Written Comment Letters

- 4.02 *Transportation investments shall mitigate environmental impacts to an acceptable level.*
- 4.04 *Transportation Control Measures shall be a priority.*
- 4.16 *Maintaining and operating the existing transportation system will be a priority over expanding capacity.*
- 4.18 *Each County should provide environmentally acceptable airport capacity within its own market area to meet local and domestic air passenger demand.*

Analysis: These core transportation policies address regional transportation planning. It is beyond the scope of an individual project to address the regional transportation issues raised in these policies. To the extent applicable, the Proposed Project is considered consistent with the intent of these policies, however. For example, the Project would accommodate growth in an area already afforded municipal services and public transportation. The physical design and mixed-use nature of the Glendale Town Center promotes pedestrian circulation. Finally, mitigation has been identified in the Final EIR that will reduce all traffic impacts of the Project to the fullest extent feasible. Consequently, the Project would be consistent with these policies to maintain a reliable transportation network that provides for the safe, comfortable, and economical movement of people and goods.

#### *Air Quality Chapter*

The Air Quality Chapter of the RCP&G was written by SCAG to support the goals of the RCPG and is intended to facilitate an improved standard of living by encouraging sustained economic growth along with an improvement in air quality through the creation of new industries and products required to achieve cleaner air and by providing adequate transportation for all residents while meeting clean air goals.

The Project's consistency with the requirements of the South Coast Air Quality Management District's (SCAQMD) *Air Quality Management Plan (AQMP)* is discussed in the Air Quality section of the Draft EIR. As stated in the Air Quality Chapter, SCAG is responsible for preparing and approving the portions of the AQMP which relate to regional demographic projections and integrated regional land use; housing, employment, and transportation programs; control measures; and strategies. The RCP&G Air Quality Chapter presents a series of air quality "issues" and "strategies."

The following policies address those issues presented in the Air Quality Chapter that are relevant to the Proposed Project.

### 3.2 Written Comment Letters

- 5.07 *Determine specific programs and associated actions needed (e.g., indirect source rules, enhanced use of telecommunications, provision of community based shuttle services, provision of demand management based programs, or vehicle miles traveled/emission fees) so that options to command and control regulations can be assessed.*

Analysis: This core policy is directed towards regional air quality planning. It is beyond the scope of an individual project to address the regional issues raised in this policy. To the extent applicable, the Proposed Project is considered consistent with the intent of this policy by accommodating growth in an area already served by public transportation. The Project is considered consistent with this policy.

- 5.11 *Through the environmental documentation review process, ensure that plans at all levels of government (regional, air basin, county, subregional and local) consider air quality, land use, transportation and economic relationships to ensure consistency and minimize conflicts.*

Analysis: The design of the Glendale Town Center emphasizes the importance of mixed land uses, pedestrian scale, and physical design in creating a community that people would want to live, work and shop in. The Proposed Project will incorporate residential units in an urban setting in a Project designed to reinforce and encourage pedestrian movement.

The location and design of the Project also promotes the use of alternative means of transportation. The Project is in area served by 15 bus lines. These routes include stops at the Glendale Transportation Center. The GTC provides access to the greater Los Angeles Metropolitan region via bus and commuter trains and also provides statewide access via Amtrak long distance trains. As such, future residents of the Project have the opportunity to utilize several alternative modes of transportation including bus and rail service. In conclusion, physical design features of the Project along with the location near an area served by existing transit act to reduce total vehicle miles traveled and hence, vehicle air emissions. Although the Proposed Project has no control over the contents of Regional, subregional, and local plans that affect development are identified in this Draft EIR and the consistency of the Project with this plans is provided. For these reasons, the Project is considered consistent with these policies.

#### **Water Quality Chapter**

The stated purpose of this chapter is to provide a regional perspective on current water quality issues and the plans and programs for addressing these issues. The chapter also identifies the current water quality goals and objectives for the region under existing law and provides a framework for ensuring that



### 3.2 Written Comment Letters

growth in wastewater treatment capacity is consistent with regional growth projections. Policies of the Water Quality Chapter, which have some relevance to the Proposed Project, are discussed below:

*11.07.1 Encourage water reclamation throughout the region where it is cost-effective, feasible, and appropriate to reduce reliance on imported water and wastewater discharges. Current administrative impediments to increased use of wastewater should be addressed.*

Analysis: the City of Glendale has a sizeable source of reclaimed water available for use, and has recently completed a reclaimed water distribution system. The use of reclaimed water is important as it frees potable water in the City's system to be used to satisfy other water users. The Glendale Town Center will be served by this existing reclaimed water system. Therefore, the Project is consistent with this policy.

All feasible mitigation measures proposed within the Draft EIR will be implemented through the preparation and adoption of a Mitigation Monitoring and Reporting Program.